

## **FISCAL YEAR 2003-2004 ANNUAL ACTION PLAN**

**The Fourth of Five Annual Action Plans Under the  
County of Orange Housing and Community Development  
Department's Consolidated Plan for Fiscal Years 2000-2005**

**May 15, 2003**

**County of Orange  
Housing and Community Development Department  
1770 North Broadway  
Santa Ana, California 92706**

### **Participating Cities and Target Areas**

City of Brea  
City of Cypress  
City of Dana Point  
City of Laguna Beach  
City of Laguna Hills

City of Laguna Woods  
City of La Palma  
City of Los Alamitos  
City of Placentia  
City of Rancho Santa Margarita

City of Seal Beach  
City of Stanton  
City of Villa Park  
City of Yorba Linda

And Unincorporated Areas of Orange County

## TABLE OF CONTENTS

	Page
<b>Section 1: Background</b>	5
1. Objectives of the Annual Action Plan	5
2. Consolidated Plan Update	5
3. Funding for Fiscal Year 2003-2004	5
A. Federal Funds	5
B. Use of Program Income	6
C. Local Resources	6
i. Orange County Housing Authority Operating Reserve and Housing Support Services	6
ii. Neighborhood Development & Preservation Project (NDAPP)	7
4. Multi-Year Grant Allocation Funding	8
5. Amendments to the Annual Action Plan	8
6. Geographic Distribution Strategies and Commitments 24 CFR 91.220 (d)	9
A. Location of Projects	9
i. Cities	9
ii. Unincorporated Target Areas	10
7. Strategies and Commitments	10
8. Annual Actions for the 2003 Program Year	11
A. Proposals/Application Process for Fiscal Year 2003-2004 Funding	11
i. Public Services	11
ii. Public Facilities & Improvements and Housing Rehabilitation	11
iii. Economic Development	11
iv. Rental Housing Development and Homeownership	12
v. Application Review Committee (ARC)	12
vi. Proposals and Evaluations	12
a. New Applicants	12
b. Applicants with Current Contracts With H&CD	13
c. Threshold Review for Year 1	13
d. Public Facilities & Improvements and Housing Rehabilitation Proposal Evaluation	13
e. Public Services Proposal Evaluation	13
vii. Exemptions from the Funding Allocation Process	13
viii. Activities Considered Non-Priority Projects	14
ix. Priorities	14
x. Policies	14
9. Priority Funding	14
10. Summary of Projects for 2003	16-19
11. Metro City (City of Yorba Linda)	20
12. Homeless and Other Special Needs Activities	21
A. Homeless Activities	21
B. Other Special Needs Activities	21
C. Continuum of Care Homeless Assistance	22
D. Orange County Continuum of Care System	24
E. Reuse of Military Bases	24
i. MCAS Tustin	24
ii. El Toro Marine Corps Air Station	25
F. Local Funding	25
13. Other Actions: 24 CFR 91.220 (f)	26
A. Obstacles to Meeting Under-Served Needs	26
B. Fostering and Maintaining Affordable Housing	26
C. Removing Barriers to Affordable Housing	26
i. Available Land	26
ii. Cost	26
iii. Article 34	27
iv. Neighborhood Concerns	27
D. Reducing Lead-Based Paint Hazards	28
E. Reducing the Number of Poverty Level Families	28
F. Institutional Structure	28

G.	Enhance Coordination between Public and Private Housing and Social Services Agencies	28
i.	Orange County Housing Authority	29
ii.	Orange County Continuum of Care	29
iii.	Domestic Violence Strategic Plan Workgroup	29
H.	Fostering Public Housing Improvements	29
I.	Public Housing Resident Initiatives	29
14.	Fair Housing Requirements	30
A.	Impediments identified in the 2000 Update	30
B.	Recommendations Designed to Address Identified Impediments	31
C.	Actions to Address Identified Impediments	31
D.	Additional Fair Housing Activity	32
15.	Monitoring/Compliance	33
A.	Accountability & Performance	33
B.	Monitoring Compliance Plan	33
C.	Project Closeout Statement	34
16.	Affirmative Marketing	35
17.	Minority and Women Owned Businesses	35
<b>Section 2: Activities to be undertaken with Federal Funds 24 CFR 91.220 (c)</b>		<b>36</b>
18.	General Overview (Federal Funds)	36
A.	Acquisition Activities and New Housing Development	36
B.	Economic Development	36
C.	Administration	36
D.	Public Facilities and Improvements	36
E.	Public Services	36
F.	Rehabilitation Activities	36
G.	Program Income Reinvestment of Federal Funds	37
H.	Recapture Guidelines	37
I.	Reinvestment of Recaptured Federal Funds	37
<b>Section 3: Community Development Block Grant Narratives</b>		<b>38</b>
19.	New CDBG Funds Available for 2003	38
A.	Acquisition/New Housing Development	38
B.	Public Facilities & Improvements	38
C.	Public Services	38
D.	Housing Rehabilitation	39
E.	Administration and Planning	39
<b>Section 4: HOME Narratives</b>		<b>39</b>
20.	New HOME Funds Available in 2003	39
21.	Homeownership Program – Resale Restrictions	40
<b>Section 5: ESG Narratives</b>		<b>40</b>
22.	Introduction	40
23.	New ESG Funds Available in 2003	40
<b>Section 6: Activities to be Undertaken with Local Non-Federal Resources</b>		<b>41</b>
24.	NDAPP	41
25.	HSS Funds	42
26.	Leveraging Opportunities	42
27.	Matching Requirements	43

**Section 7: Proposed Project Descriptions**

43

- 28. Proposed CDBG Project Descriptions
- 29. Proposed HOME Project Descriptions
- 30. Proposed ESG Project Descriptions
- 31. Proposed CDBG Program Income Project Descriptions
- 32. Proposed HOME Program Income Project Descriptions
- 32. Proposed HSS Project Descriptions
- 33. Proposed NDAPP Project Descriptions

<b>Tables</b>	<b>Topic</b>	<b>Page</b>
I-1	Previous Years and Current Funding Allocations	6
I-2	County of Orange Proposed Use of Recaptured Funds through Amendment	9
I-3	High Priority Needs Listed in the 2000-2005 Consolidated Plan	15
I-4A	Summary of Proposed Projects for 2003	16
I-4B	Summary of Waiting List Projects for 2003	20
I-5	Funding for Activities for the Metro City-Yorba Linda	20
I-6	Homeless Assistance with CDBG & ESG funding FY 2003-2004	21
I-7	Special Needs Funding FY 2003-2004	21
I-8	2002 SuperNOFA Continuum of Care Conditional Awards	22
I-9	2002 Continuum of Care Gaps Analysis	23
I-10	County Recommendations for Former El Toro MCAS	25
I-11	New CDBG Funds FY 2003-2004	38
I-12	New HOME Funds FY 2003-2004	39
I-13	New ESG Funds FY 2003-2004	41
I-14	ESG Project Funding FY 2003-2004	41
I-15	County of Orange Projects Recommended for NDAPP Funding	42
I-16	County of Orange Projects Recommended for HSS Funding	42

**Charts**

I-1	Total Local and Federal Funds to be Utilized FY 2003-2004	7
-----	---	---

**Certifications**

Appendix One:	SF-424 Form
Appendix Two:	Certifications
Appendix Three:	Formerly Section E, F, and I

**Glossary of Terms****Appendices**

A.	Kick-off Letter to Subrecipients
B.	Agenda Item Transmittal (AIT) – Proposed Draft Annual Action Plan for FY 2003-2004
C.	Agenda Item Transmittal (AIT) – Recapture of Funds and Amendment to Annual Action Plans for Fiscal Years 1999-2000 through 2001-2002
D.	Notice of Public Hearing
E.	Notice of 30-Day Public Review
F.	Summary of Specific Housing/Community Development Objectives and Homeless/Special Population Objectives – Per FY 2000-2005 Consolidated Plan HUD Tables 1-C and 2-C
G.	Financial Allocation/Citizen Participation Plan

## Section 1: Background

The County of Orange developed a Consolidated Plan for Fiscal Years 2000-2005 that contains the County's needs assessment, strategy, and actions for carrying out plans to address the Urban County's community needs over the five-year period. The Consolidated Plan identifies specific goals and objectives for the use of federal grant resources and local funds. Included as part of the Consolidated Plan is the Annual Action Plan. The Annual Action Plan identifies resources to be committed each year toward accomplishing the objectives as stated in the Consolidated Plan, including the proposed use of federal and local funds.

### 1. Objectives of The Action Plan

The Annual Action Plan for Fiscal Year 2003-2004 presents the Housing and Community Development (H&CD) Department's proposed use of federal and local funds as recommended by the Application Review Committee (ARC). This Annual Action Plan is consistent with the strategies set forth in the adopted Consolidated Plan for Fiscal Years 2000-2005. Projects recommended for funding were selected from application proposals submitted by Cities, County target areas, nonprofit and faith-based organizations, and County agencies. The recommendations contained in this Plan are consistent with the three-year funding cycle for Public Services and the yearly funding cycle for Public Facilities and Improvements and Housing Rehabilitation as described in the Funding Allocation Policy & Process and Citizen Participation Plan adopted by the Board of Supervisors on August 27, 2002.

### 2. Consolidated Plan Update

This Annual Action Plan represents Fiscal Year 2003-2004, the fourth (4<sup>th</sup>) year of the Five-Year Consolidated Plan.

**Table I-1** shows in that Fiscal Years 2000-2001, 2001-2002, 2002-2003, and 2003-2004 the County has dedicated more than \$30 million of Federal U.S. Department of Housing & Urban Development (HUD) funds and over \$25 million in local funds toward meeting the goals and objectives as described in the Consolidated Plan. In this Annual Action Plan, the County continues to bring forth projects that are consistent with the Consolidated Plan. These funds will be utilized to accomplish local goals and priorities as well as leverage other resources.

In the current Consolidated Plan, there was a misprint of the dates covering the five-year period. The term is revised from July 1, 2000 – June 30, 2004 to the accurate dates of July 1, 2000 – June 30, 2005; therefore, the Consolidated Plan is referenced to span FY 2000-2005 rather than FY 2000-2004.

### 3. Funding For Fiscal Year 2003-2004

#### A. Federal Funds

The Department of Housing and Urban Development (HUD) is a major resource for the County Housing and Community Development Department activities. Each year, HUD provides "formula allocations" to urban counties, entitlement cities, and/or states based on demographic and economic information such as low and moderate-income populations. The County of Orange qualifies as an Urban County and represents 14 cities and 12 unincorporated target areas, including Orange County Development Agency (OCDA) target areas. As one of the 14 cities, the City of Yorba Linda, referred to as a "Metro City" with over 50,000 in population, has elected to administer their entitlement funds through the Urban County program. Funding reserved for this City is therefore included in **Table I-1** and throughout this Plan except where noted.

Annual formula allocations are made available to Urban Counties through the Community Development Block Grant (**CDBG**) and Emergency Shelter Grant (**ESG**) programs. The County also qualifies as a "Participating Jurisdiction" for Home Partnership Investment Program (**HOME**) funds. The fourth source of federal funds, **Program Income**, is discussed in greater detail in the "Use of Program Income" Section of this document.

In Fiscal Year 2003-2004, the Urban County anticipates to receive \$5,402,000 of new CDBG funds (including Metro City of Yorba Linda), \$1,989,349 of new HOME funds, \$169,000 of new ESG funds

and \$6,200 in recapture funds and \$600,000 in new Program Income and \$71,270 of recaptured funds. The Metro City of Yorba Linda is requesting to receive \$331,000 in CDBG. The Metro City of Yorba Linda does not receive HOME or ESG funds.

In addition to the new federal funds referenced above, in February 2003 the County recaptured federal funds from prior year projects and reallocated some of those funds into new projects. The use of these recaptured funds is further discussed in "Amendments to the Annual Action Plan" Section and **Table I-2**.

**TABLE I-1**  
**Previous Years and Current Funding Allocations**

Federal Funds	2000-2001 Year 1	2001-2002 Year 2	2002-2003 Year 3	2003-2004 Year 4	Total
<b>CDBG</b>	\$5,165,000	\$5,389,000	\$5,241,000	\$5,402,000	\$21,197,000
<b>HOME</b>	1,605,000	1,776,000	1,765,000	1,989,349	\$7,135,349
<b>ESG</b>	171,000	171,000	172,000	175,200	\$689,200
<b>Program Income</b>	599,700	446,020	366,771	671,270	\$2,083,761
<b>Subtotal</b>	<b>\$7,540,700</b>	<b>\$7,782,020</b>	<b>\$7,544,771</b>	<b>\$8,237,819</b>	<b>\$31,105,310</b>
<b>Local Funds</b>					
<b>NDAPP</b>	\$6,165,000	\$10,894,299	\$5,155,747	17,836,497*	\$40,051,543
<b>HSS</b>	288,000	400,000	400,000	400,000	\$1,488,000
<b>Subtotal</b>	<b>\$6,453,000</b>	<b>\$11,294,299</b>	<b>\$5,555,747</b>	<b>\$18,236,497</b>	<b>\$41,539,543</b>
<b>Total Resources</b>	<b>\$13,993,700</b>	<b>\$19,076,319</b>	<b>\$13,100,518</b>	<b>\$26,474,316</b>	<b>\$72,644,853</b>

Table figures include the Metro City of Yorba Linda's CDBG Allocation of \$331,000 for Fiscal Year 2003-2004.

Table figures include Recaptured funds (Program Income \$71,270 and ESG \$6,200).

\*Table figure in the NDAPP row for Fiscal Year 2003-2004 remains estimated and includes both new and carry forward funds.

## **B. Use of Program Income**

Program Income is generated from previously funded CDBG and HOME activities, such as repayment of housing rehabilitation loans. The amount of program income generated this year is \$600,000 and \$71,270 of recaptured funds. These funds are available for reinvestment in projects or other eligible activities in the jurisdiction, which generates the Program Income.

## **C. Local Resources: 24CFR §91.220 (b)(2)**

### **i. Orange County Housing Authority Operating Reserve and Housing Support Services (HSS)**

Rental housing assistance is the primary responsibility of the Housing Assistance Division. Referred to as the Orange County Housing Authority (OCHA), this division administers the Section 8 Rental Assistance and Housing Voucher Programs under an Annual Contributions Contract with HUD. The County receives administrative fees for the cost of administering these programs and HUD regulations allow administrative savings to be placed in an account called the Operating Reserves Fund. This fund is required to be available for potential overruns in the operation of the rental assistance program.

Operating reserve funds have been used over the past thirteen years to increase the supply of affordable housing according to a locally developed strategy by leveraging the financing of new, affordable housing projects. Additionally, these funds are also used for Housing Support Services (HSS), which are allocated to the Cold Weather Armory program, "housing related" public services activities and other housing purposes.

Since 2000, the Orange County Housing Authority (OCHA) has made available \$1,488,000 (**Table I-1**) to fund housing-related public services and other housing purposes from the Orange County Housing Authority Operating Reserves. These HSS funds are accumulated housing authority administrative fees provided by HUD to operate its rental assistance programs. Consistent with the

Board of Supervisors directive, \$400,000 in Operating Reserves funds has been set aside and will be allocated to the eight (8) projects as identified on **Table I-16**.

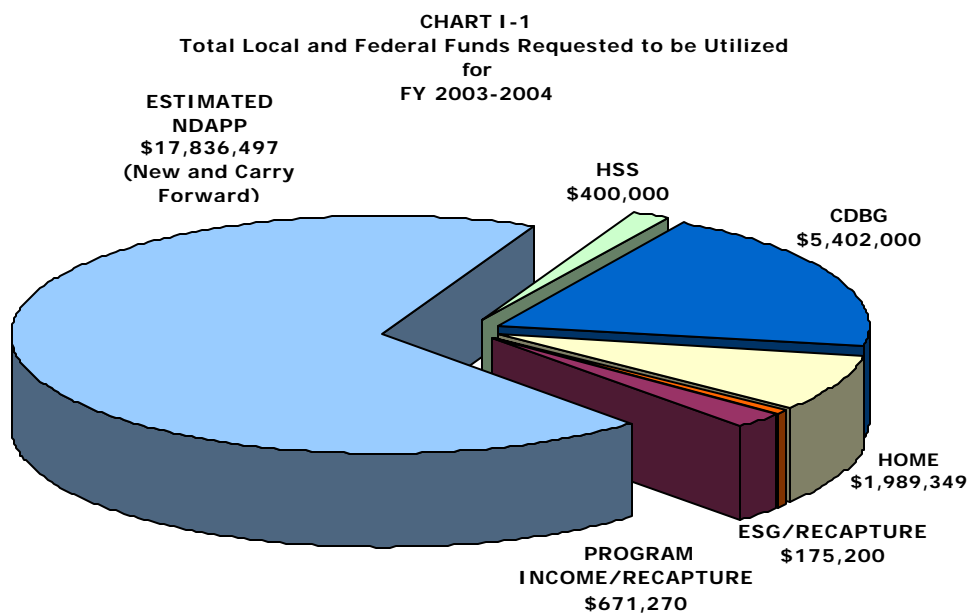
## ii. Neighborhood Development and Preservation Project (NDAPP)

In 1988, the Orange County Development Agency (OCDA) created the Neighborhood Development and Preservation Project (NDAPP), which produced revenues through the sale of bonds and through the implementation of a tax increment-financing plan. These funds traditionally have been used for activities that support and leverage other projects undertaken with Federal funds.

Several participating cities and city redevelopment agencies are involved in joint, coordinated funding projects using their respective redevelopment funds for providing affordable housing programs in conjunction with the County's resources. In 1992, additional bonds were sold to continue funding of the Neighborhood Development and Preservation Project (NDAPP). The County's bankruptcy in December 1994 impacted the availability of NDAPP funds and funding availability, resulting in a reduction of NDAPP funding for local leveraging.

Since its inception in 1995, the County's bankruptcy recovery plan has impacted the availability of local redevelopment NDAPP funds. Budget management over NDAPP funds was transferred to the County Executive Office (CEO) while H&CD retained project management responsibilities only. Due to constraints on funding, the types of projects that can be funded with NDAPP must be housing-related and targeted for redevelopment areas. The County of Orange did receive special legislation to allow for utilizing set-aside funds generated by NDAPP or Santa Ana Heights redevelopment project areas for housing development outside of OCDA jurisdiction if it meets specific criteria. H&CD intends to request Neighborhood Development and Preservation Project (NDAPP) funds from the County CEO office for FY 2003-2004. Funding comprised of \$16,381,233 in carry forward projects and \$1,455,264 for eight (8) new projects (see **Table 1-15**).

**Chart I-1** below illustrates the total allocated for both federal and local funding for Fiscal Year 2003-2004. As shown in the chart, the total funding for this year is \$26,474,316. H&CD will continue to aggressively strive to leverage and optimize these combined federal and local resources to achieve the goals and objectives established in the Consolidated Plan and this Annual Action Plan.



#### **4. Multi-Year Grant Allocation Funding**

Fiscal Year 2003-2004 represents the fourth (4<sup>th</sup>) year of the Five-Year Consolidated Plan process and the first year of a three-year funding cycle for Public Services. Public Facilities and Improvement and Housing Rehabilitation application process will be conducted on a yearly basis. The multi-year process was first introduced in 2000 through a series of workshops, public notices, and letters to the participating cities and target areas within the Urban County, as well as to nonprofit organizations and other governmental entities throughout the County.

In August 27, 2002, the County Board of Supervisors approved H&CD's Funding Allocation Policy & Process and Citizen Participation Plan (FAPP&CPP). Included in the FAPP&CPP was H&CD's recommendation to approve a three-year funding cycle for Public Service applicants and a one-year funding cycle for public works and housing rehabilitation projects. Prior to presenting the FAPP&CPP to the County Board, staff followed the Citizen Participation Process that included a series of workshops, public notices and letters to the participating cities and target areas within the Urban County, as well as to nonprofit organizations and other governmental entities throughout the County.

As was the case during the initial year of the Multi-Year Grant Process, the Metro City of Yorba Linda, although a participant in the Urban County Program, did not compete for funding in the application process since HUD reserves their funding separately. However, in compliance with Citizen Participation requirements, the City held community meetings, received local proposals, and submitted its proposals to H&CD under the same parameters as all the other applicants. These projects are included in the overall analysis in order to present all funding and proposed projects administered through the Urban County.

#### **5. Amendments to Annual Action Plan**

On November 28, 2001, H&CD received notification from HUD that it is enforcing a policy to reduce future CDBG grant amounts if a grantee's line-of-credit balance exceeds 1.5 times their annual allocation by April 30th of the Program Year.

In an effort to ensure that the County achieves the mandated 1.5 ratio by April 30<sup>th</sup> of each program year, the County may continually seek methods to reallocate funds from slow spending activities which typically take longer to implement (i.e., affordable housing, rehabilitation funds) to activities which can be completed within a 12-month period.

Timely expenditure of HUD funds is a major requirement for participation in federal programs. In accordance with provisions contained in the Funding Allocation Policy & Process and Citizen Participation Plan, H&CD monitors the progress of funded projects in order to ensure timely expenditures of funds and viability of activities. Unspent funds identified for reprogramming include:

- Projects completed for less than the original budget amount;
- Projects that have become unfeasible or incompatible; or
- Projects not completed within their contract period and the contract period and the contracts have expired.

To assist in the expenditure of federal Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) funds, H&CD initiated an exchange of \$700,696 of CDBG and HOME funds between their Single Family Rehabilitation and Multi-Family Rental Housing New Construction/Acquisition programs to increase the department's capacity to provide affordable housing. An Interoffice Memorandum dated December 26, 2002 documents this exchange of funds.

The February 25, 2003 Board action and an exchange of CDBG and HOME between the County's rehabilitation and multi-family rental housing programs, in part, was initiated to address HUD's enforcement of the policy relating to CDBG timely expenditures. Additionally, on February 25, 2003, a public hearing was held before the Orange County Board of Supervisors to amend the Annual Action Plans from Fiscal Years 1999-2000 to 2001-2002. Projects to which funds were transferred included existing and new activities, all of which are consistent with the strategies and priorities established in the Consolidated Plan.



**Table I-2** outlines the proposed use of recaptured funds through Amendment. Although the majority of the reprogrammed funds were redistributed to existing activities, \$71,270 in CDBG funds was made available to the Application Review Committee (ARC) for consideration for the FY 2003-04 Annual Action Plan proposed projects. Similarly, an additional \$6,200 in ESG funds was included in the total amount of funds available for ARC consideration.

The recaptured CDBG Funds (\$71,270) was treated as Program Income and reallocated to the County's Housing Rehabilitation Program, and the ESG Funds (\$6,200) was allocated to support an emergency shelter. Both activities are eligible to receive funds.

**TABLE I-2**  
**County of Orange**  
**Proposed Use of Recaptured Funds**  
**Through Amendment**

<b>RECAPTURED FUNDS ALLOCATED TO EXISTING PROJECTS</b>		
<b>Contract No./IDIS No.</b>	<b>Project Description</b>	<b>Amount</b>
KC02023/1347	Old Town West Drainage Imprvts - City of Los Alamitos	\$ 172,670.00
KC01043/1341	Midway City Community Center Repairs	\$ 37,868.00
KC02021/1349	Old Town East/West Street Lights - City of Los Alamitos	\$ 157,267.00
KC02026/1388	Joseph and Regina House	\$ 10,206.00
	<b><u>Total Reallocated to Existing Projects</u></b>	\$ 378,011.00
	Recaptured Program Income CDBG Funds for ARC Consideration	\$ 71,270.00
	Recaptured ESG Funds Available for ARC Consideration	\$ 6,200.00
	<b>TOTAL AMOUNT RECAPTURED AND REPROGRAMMED</b>	<b>\$ 455,481.00</b>

## **6. Geographic Distribution Strategies and Commitments: 24CFR §91.220(d)**

### **A. Location of Projects**

All of the projects proposed in this Action Plan were checked and verified to benefit low and moderate-income residents either on an individual basis or on a community-wide or countywide basis. Projects being recommended for funding are required to demonstrate benefit to low and moderate-income persons as determined by federal regulations. Income eligibility can be attained by either having individual persons providing the service providers with proof of their income (i.e., income tax forms, pay stubs, etc.) or by analyzing available 2000 census data. Median household income and household size data from the 2000 Census is used to determine if proposed public facility and improvement projects are located in eligible census tract block groups. These areas, which represent one quarter of the Census block groups in the Urban County, are spread throughout all geographical regions of the County. Projects in these areas are selected with the aim of preserving neighborhoods and of facilitating the annexation of unincorporated areas into cities.

In addition to community-wide projects, the Action Plan contains numerous projects (i.e., community centers, city housing rehabilitation and public facilities & improvements) that are designed to benefit primarily the local residents of a specific area. Although such projects are found throughout the region, they are important to the site-specific locations.

#### **i. Cities**

The Urban County community includes participating small cities (with a population less than 50,000) and one "Metropolitan City" (with a population over 50,000):

Brea, Cypress, Dana Point, La Palma, Laguna Beach, Laguna Hills, Laguna Woods, Los Alamitos, Placentia, Rancho Santa Margarita, Seal Beach, Stanton, Villa Park and Metro City of Yorba Linda.

## ii. Unincorporated Target Areas

Listed below are the designated Urban County target areas:

Anaheim Island, Colonia Independencia, El Modena, Inter-Canyons, Mac Island, Midway City, Northeast El Modena, Olive Island, Rustic Lane, Sherwood Forest, Southwest Anaheim, and West Anaheim

NDAPP includes all the unincorporated target areas listed above, including West Garden Grove and Cypress Islands for which Orange County Development Agency (OCDA) retains redevelopment responsibilities even though they have been annexed into cities.

## 7. Strategies and Commitments

This Action Plan reflects a strong emphasis on the part of the County's H&CD Department in pursuing the strategies and objectives stated in the Department's mission statement:

**"To work in partnership with Orange County's diverse communities to preserve and expand affordable housing opportunities, strengthen economic viability and enhance the livability of neighborhoods."**

Orange County is California's second most populous county with over 2.8 million residents, according to 2000 Census figures. Generally, the community is urban and, with few exceptions, the entire area within the Urban County is fully developed. The County's growth is out-pacing the national average, requiring more and more housing for new County households. There are, however, distinct differences found between the various areas of Orange County that highlight some of the root causes of the housing imbalance. Within the northern and western portions of Orange County are many concentrations of declining multifamily and single family housing stock. This is due to the older age of the communities, the age of the building stock, and a less stringent Building Code when structures were initially constructed. Additionally, these older communities have undergone numerous social and economic changes. Although the public infrastructure (streets, curbs, sidewalks, water lines, sewer lines and storm drain systems) have been in place for years, they most likely are undersized or are in need of some improvement. Much of the housing stock will also require rehabilitation or replacement as well.

By contrast, the southern and eastern portions of the County are still undergoing development with urban expansion. Most communities are newer and have been designed under more current standards and guidelines. There are pockets of older communities needing upgrades and improvements; however, their numbers are small compared to the northern and western portions.

While continuing to pursue the overall goals and objectives stated in the previous and current Consolidated Plans, the County recognizes and emphasizes the development of new affordable housing and the preservation of the existing affordable housing stock. Strong growth in real estate values, continuous expansion of the Orange County economy, increasing rents, and overall housing costs are examples of factors that influenced this commitment.

The development and rehabilitation of affordable housing and housing for the homeless remain a high priority in the Consolidated Plan. Through this Action Plan the County of Orange and the local participating cities will be dedicating \$2,775,797 of federal funding for acquisition and construction of affordable permanent housing and over \$966,241 for housing rehabilitation (see **Table I-11** and **I-12**). The County has a strong commitment to support both of these high priority activities.

The County recognizes affordable housing is a regional consideration and is within the County's top ten strategic financial plan priorities. Affordable housing is essential to preserving the quality of life in Orange County, given the size of the challenge and limited resources. Some activities such as housing rehabilitation and public facilities & improvements will predominate in certain areas because of greater demand. Other activities such as public services and new housing development will occur throughout the jurisdiction. The County will focus its public improvement activities for

"area-wide" benefits to assist neighborhoods of low and moderate-income populations. Under HUD's exception criteria for the County, census tracts in which 35.3% or more residents meet HUD's income guidelines as "low or moderate income" qualify an area for such activities.

## **8. Annual Actions for the 2003 Program Year**

### **A. Proposals/Application Process for Fiscal Year 2003-2004 Funding**

H&CD administered the Funding Allocation Process and Application Review Process for FY 2003-2004 as described in the Funding Allocation Policy & Process and Citizen Participation Plan (FAPP&CPP) approved by the Board of Supervisors on August 27, 2002. The FAPP&CPP is located in the Appendices portion of this Action Plan.

H&CD received applications from participating cities, organizations within targeted areas, non-profit and faith-based organization as well as county agencies. All applicants whose projects met the minimum threshold as prioritized in the Funding Allocation Policy & Process and Citizen Participation Plan were submitted to the Application Review Committee (ARC) for further review.

In the event that additional funds become available, H&CD may pursue the various options to reallocate funds, including augmenting the funding awards of higher ranked proposals or awarding funds to alternate ranked projects that were not previously awarded funds.

#### **i. Public Services**

As described in the Funding Allocation Policy & Process and Citizen Participation Plan, Public Service applications were awarded funds based on a three-year funding cycle. For Year 1 (2003-2004) of the Funding Allocation Process, all applications were reviewed, selected, and recommended for funding based upon rating criteria. Refunding of Public Service projects for Year 2 (FY 2004-2005) and 3 (FY 2005-2006) will be based upon monitoring and performance of the projects with prior and current year funding.

#### **ii. Public Facilities and Improvements (PF&I), Housing Rehabilitation, and Economic Development**

As described in the Funding Allocation Policy & Process and Citizen Participation Plan, applications for Public Facilities and Improvements (PF&I), Housing Rehabilitation, and Economic Development were reviewed, selected, and recommended for funding based upon rating criteria.

#### **iii. Economic Development**

Based primarily on demand, need, performance and readiness to implement programs and expend funds, economic development activities was listed as a "Medium Priority" in the County's Consolidated Plan for Fiscal Years 2000-2005. As defined in the Consolidated Plan, medium priority activities may be funded provided that funds are available; however, actions will be taken to locate other funding sources to assist these activities. The County of Orange has several departments that are involved in some aspect of providing economic development opportunities (e.g., job training, provision of jobs, adding value to communities) to their clientele. The Orange County Business Council and the County Executive Office have completed an inventory of county resources and coordinate the provision of funds and services.

In recent years the County has, with a positive and optimistic vision, promoted job creation and/or retention by awarding \$108,074 of CDBG funds to participating cities within its Urban County Program. However, economic development related activities have not demonstrated acceptable progress towards meeting their projected goals. This pattern of "slow spending" under economic development related activities has historically been a significant concern to the County. Although there is a need for economic development, the demand from participating jurisdictions to utilize CDBG to fund this activity has been low.

The County is also reluctant to allocate future entitlement funds to slow moving economic development projects, particularly if those allocations result in non-compliance with federal CDBG timely expenditure requirements. However, the County will reassess its current strategies relative

to promoting economic development activities and will attempt to develop a more successful program.

Therefore, Economic Development was not recommended for funding in Fiscal Year 2003-2004 as indicated on Table 3 of the FY 2003-2006 Citizen Participation Plan.

#### **iv. Rental Housing Development and Homeownership**

New housing construction/acquisition for rental housing proposals are submitted through a Rental Housing Notice of Funding Availability (NOFA)/Request for Proposal (RFP) process. This Rental Housing NOFA/RFP process is separate from the ARC process. The Board of Supervisors approves the program policies and procedures for the Rental Housing NOFA each year.

The Rental Housing Program utilizes both federal and local resources to provide permanent loans to developers of eligible multi-family rental affordable housing developments. Developers may apply for these funds throughout the year.

H&CD's homeownership programs have not traditionally used federal funds because of the income limitations on CDBG and HOME funds as well as the number of existing state and local homeownership programs that do not require additional local or federal funds. H&CD has collaborated with local lenders and the State to offer direct silent second loans to assist low/moderate income homeowners as well as financial incentives through the Mortgage Revenue Bond and Mortgage Credit Certificate programs.

#### **v. Application Review Committee (ARC)**

ARC is comprised of a team of two separate evaluation committees (one for public services; one for public facilities and improvements, economic development, and property rehabilitation), which in turn is comprised of H&CD Housing Commission members, community representatives, and other individuals knowledgeable about activities.

ARC reviewed the applicable proposals to determine the use of anticipated federal and local funds in coordination with the Consolidated Plan strategies and goals. ARC also evaluated and considered the funding sources for all eligible applications submitted within CDBG, ESG, HOME, HSS, Program Income and NDAPP Programs to leverage available funding. H&CD staff only provided technical support to the committees, but did not rank applications or act as voting members.

In order to facilitate accomplishment of the goals described in the Consolidated Plan as identified in Table 3 of the FY 2003-2006 Citizen Participation Plan, overall targets or limits on allocations for activity types were established. ARC utilized these targets or limits in formulating its rankings and recommendations. Unsuccessful applicants were afforded an opportunity to appeal to the ARC committee.

#### **vi. Proposals and Evaluations**

Applications were received from cities, nonprofit and faith-based organizations, and other agencies by the October 22, 2002 deadline set by H&CD staff. ARC scores were based exclusively on the written submission (i.e., application). As described in the Funding Allocation Policy & Process, it is Departmental policy to first fund applications that receive the highest-ranking scores, and then fund all other applicants in descending order until all eligible funds are exhausted. Due to the high level of competition and the limited funding available, several projects that scored at least 70 points (the minimum score required for funding consideration) have not been recommended for preliminary funding at this time; however, these projects have been put on a waiting list for future consideration in the event that additional or recaptured funding should become available and these projects are eligible for those additional or recaptured funds. **Table I-4B** summarizes the waiting list projects for 2003.

##### **a. New Applicants**

All organizations submitting an application to H&CD have been performing the service as described in their application for at least one (1) year before submitting their application. H&CD staff conducted a site visit of all new applicants before forwarding the application to ARC. The site visit

required applicants to provide copies of any performance reports required by other funding organizations as a threshold requirement.

**b. Applicants with Current Contracts with H&CD**

H&CD staff assessed demonstrated project performance levels of all applicants with current contracts with H&CD. The evaluative focus included, but was not limited to, subrecipient compliance with contractual goals and demonstration of meeting scheduled accomplishments as reported on Grantee Performance Reports (GPRs) of their current contract.

**c. Threshold Review for Year 1**

Staff conducted a threshold eligibility review of each new application for items including, but not limited to, completeness, eligibility in meeting the national objectives established by HUD, verification of non-profit status, etc. Applications meeting threshold review eligibility were distributed to and rated by ARC. Applications not meeting this threshold review were eliminated from further ARC consideration. Projects recommended for funding are described in further detail in the "Summary of Proposed Projects for 2003" and on **HUD Table 3** in Section 7.

**d. Public Facilities & Improvements and Housing Rehabilitation Proposal Evaluation**

ARC received and reviewed applications for PF&I and Housing Rehabilitation projects resulting from an RFP process. The applications were evaluated as described below.

The applications were reviewed in a three-step process as follows:

1. Priority status assigned to projects that, e.g., were previously funded for design and demonstrate the leveraging of funds from other sources.
2. H&CD staff completion of an initial threshold review for technical eligibility.
3. Application Review Committee (ARC) scored applications based on quality review and evaluation as outlined by the Request for Proposals.

**e. Public Services (Years 1, 2 and 3) Proposal Evaluation**

In Year 1 (2003-2004), ARC received and reviewed, and evaluated applications for Public Service projects resulting from an RFP process. In Years 2 and 3, Public Service applications were reviewed if the project received funds in Year 1 (2003) allocation process. For years 2 and 3, ARC evaluations will focus primarily on performance (accomplishments and timely expenditure of funds) and progress towards meeting scheduled goals. Projects eligible for additional year funding will be rated in a five-step process as follows:

1. Priority status assigned to projects that, e.g., were previously funded and demonstrate the leveraging of funds with other sources.
2. Compliance with contractual obligations (e.g., drawdown requirements).
3. Accomplishments reported on Grantee Performance Reports (GPRs) and/or other documentation as described in current year contract.
4. H&CD staff assessment of project performance and progress.
5. Quality review/evaluation and scoring by ARC.

**vii. Exemptions from the Funding Allocation Process**

- County Administration (the County utilizes a percentage of the funds to administer all programs with exception to Public Services).
- County's obligations with specific target area community centers.
- Cold Weather Shelter Program.
- Fair Housing and Equal Opportunity related activities mandated by HUD.

**viii. Activities Considered Non-Priority Projects**

- Priorities for eligible funding requests are based upon initiating and completing projects within the contract year; therefore, planning costs are not identified as a priority since all projects involve a level of planning.
- Lead-Based Paint activity costs are not identified as a priority since such costs can be paid either through available rehabilitation funds or through funds received from other potential funding sources such as the Healthy-Homes, Lead-Based Paint Hazard Control Program.
- Economic Development activities are not identified as a priority since previously allocated funds appear to be sufficient for this year in conjunction with other Micro-Business programs.

**ix. Priorities**

Priority was given to:

- Public services applications based on filling the gaps in the Homeless Continuum of Care, which were not filled by SuperNOFA funding or proposals that preserve neighborhoods.
- Public works projects that focus on preserving neighborhoods or improving accessibility for the disabled.
- Projects facilitating annexation of County unincorporated islands.
- Public facility and improvement projects that were previously funded for design.
- Projects that demonstrate and leverage funds with non-governmental sources.

**x. Policies**

- A minimum grant amount was established at \$10,000 per year for all projects.
- Provide available Operating Reserve funds for Housing Supportive Services (HSS).
- Not more than one proposal from any one organization serving the same population with the same service, or providing the same program or product, was accepted.
- A copy of applicant's latest financial audit and management letter, which is not more than two years old, was required.
- Non-successful applicants had an appeal process to the ARC committee.
- Funds allocated to projects evaluated as not meeting scheduled accomplishments on the Grantee Performance Reports (GPR's) as described in current year contract will have remaining funds re-programmed as described in Section VIII of [the FY 2003-2006 Citizen Participation Plan].

**9. Priority Funding**

A major component of the Consolidated Plan is the assessment of needs by activity type, affected population, and priority of need. The following chart indicates the high priority needs cited in the Consolidated Plan and the proposed funding from Annual Action Plans within those need areas. Because many projects funded meet overlapping needs, these figures are not exact but approximate funding in these areas. As indicated in **Table I-3** below, all projects within this year's funding recommendations are High Priority needs.

Acquisition, construction, and rehabilitation of affordable housing are identified as the highest priority need in the Consolidated Plan. Furthermore, in 2001 the Orange County Board of Supervisors placed affordable housing as one of the County's Top Ten (10) priorities.

Although CDBG and ESG funding for homeless outreach assessment, transitional and emergency shelters was significantly enhanced by the more than \$9.7 million in Homeless Continuum of Care funding received under the 2002 SuperNOFA competition, County still faces a lack of funding to meet the high priority needs as shown in **Table I-3**.

TABLE I-3

<b>High Priority Needs</b> <b>Listed in 2000-2005 Consolidated Plan</b> <b>Federal Funding</b>						
<b>Activity</b>	<b>5-Year Plan</b>	<b>2000-2001</b>	<b>2000-2002</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>Funds Needed</b>
HOUSING (Rental/Owner)	\$10,341,000*	\$3,885,545	\$2,190,674	\$2,581,840	\$3,478,594	\$(1,795,653)*
INFRASTRUCTURE	\$ 9,500,000	\$1,618,895	\$ 793,058	\$ 990,890	\$1,074,360	\$ 5,022,797
PUBLIC SERVICES	\$ 4,300,000	\$ 433,560	\$ 912,300	\$1,106,111	\$1,063,004	\$ 785,025
SENIOR PROGRAMS	\$ 600,000	\$ 40,000	\$ 115,000	\$ 281,775	\$ -	\$ 163,225
<b>Total</b>	<b>\$24,741,000</b>	<b>\$5,978,000</b>	<b>\$4,011,032</b>	<b>\$4,960,616</b>	<b>\$5,615,958</b>	<b>\$ 4,175,394</b>

Includes the Metro City of Yorba Linda

\* The negative \$1,795,653 does not reflect that the County has over allocated funds to Housing. However, the Consolidated Plan estimate for 'housing' (Rental/Owner) stated as \$10,341,000 was based on the anticipation in 1999, when the plan was developed, that \$10,341,000 would be a realistic expectation of federal funds that could be allocated to housing over a five-year period. The "need" for rental/ownership housing far exceeds this estimate. For example, if the County were only to meet the needs identified for very-low income renters, which is approximately 4,000 units to be built by 2005 (as stated in the Regional Housing Needs Assessment provided by the Southern California Association of Governments) at an average of \$15,000 subsidy per unit, the amount needed would be \$60,000,000. In order to address this need, the County's Plan has identified up to 45% for Rental/Ownership each year in federal funds. This is consistent with the County's Affordable Housing Strategy and the Homeless Continuum of Care Gaps Analysis which both prioritize the need for permanent affordable housing.

## 10. Summary of Projects for 2003

Please refer to the Appendices section of the Action Plan for the "Summary of Specific Housing/Community Development Objectives and Homeless/Special Population Objectives" (per the FY 2000-2005 Consolidated Plan HUD Tables 1-C and 2-C) to serve as a legend to the objectives component of the Summary of Proposed Projects **Table I-4A** below.

**TABLE I-4A**  
**Summary of Proposed Projects for 2003**

National Goal	H&CD Vision	Obj.	Type	ID	Agency	Project	Summary	Amount	Source	Accomp.
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	CT08	City of Brea	Brea Family Resource Center	Funds will be used to provide counseling, case management and health services to 500 low income individuals.	\$10,075	CDBG	500 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	CT07	City of Brea	Single-Family Housing Rehabilitation	Funds will be used for owner-occupied single family residential rehabilitation grants, deferred payment loans, and low interest loans to rehabilitate structures.	\$180,000	CDBG	25 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H4	PF&I	CT04	City of Cypress	Cypress Acres Phase IV Street Improvements (Design)	Funds will be used for installation of 3230 linear feet of curb and gutter, provision of storm drain facilities, catch basins at Merton Avenue and La Salle Street, includes drainage/flood control and street widening.	\$186,000	CDBG	1900 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	CT05	City of Cypress	Home Enhancement Loan Program	Funds will be used for six (6) single family residential home rehabilitation deferred payment loans to rehabilitate structures.	\$192,000	CDBG	6 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	CT01	City of Laguna Woods	Energy Efficient Improvements Residential Units for Seniors	Funds will be used for multi-family owner occupied residential rehabilitation loans/grants to rehabilitate structure.	\$60,000	CDBG	18 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H1	PF&I	CT10	City of Rancho Santa Margarita	Southeast County Regional Community/Senior Center	Funds will be used to purchase and install kitchen and meals-on-wheels service area with equipment that will provide services to seniors and elderly.	\$180,000	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H4	PF&I	CT24	City of Stanton	North Western Avenue Storm Drain Replacement	Funds will be used to replace 500 linear ft of 30" RCP in place, and 102 linear ft of 18" RCP linear feet on Western Ave to serve census tracts 878.01 blks 2 & 3; and 878.02 blks 3 & 4.	\$261,623	CDBG	345 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H4	PF&I	CT23	City of Stanton	Western Avenue Street Improvement	Funds will be used for a storm drain improvement at Katella and Western to include 600 linear feet of a secondary arterial highway. Census tracts 878.01 and 878.02	\$233,807	CDBG	345 People
Provide a Suitable Living Environment	N/A	N/A	Yorba Linda	CT28	City of Yorba Linda	Administration	Funds will be used by the City of Yorba Linda for the City of Yorba Linda's CDBG program administration.	\$33,100	CDBG	N/A
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Yorba Linda	CT25	City of Yorba Linda	Neighborhood Improvement - Code Violations	Funds will be used to maintain minimum code standards in residential neighborhoods, to alleviate health and safety concerns, to resolve public nuisances, and isolated blighted conditions in low and moderate income neighborhoods throughout the City.	\$59,600	CDBG	6 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Yorba Linda	CT27	City of Yorba Linda	Neighborhood Rehabilitation - Seniors & Disabled	Funds will be used to assist low and moderate income households with the necessary rehabilitation of their property.	\$81,200	CDBG	14 Housing Units
Provide a Suitable Living Environment	Increase/Preserve Shelter for Homeless & At-Risk	F-H2	Yorba Linda	CT26	City of Yorba Linda	Senior Nutrition Program	Funds will be used to provide hot, nutritional meals to senior citizens in the community. The City contracts with Feedback Foundation to deliver hot meals to the senior center five days per week.	\$41,000	CDBG	72 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Yorba Linda	CT29	City of Yorba Linda	Town Center Relocation	Funds will be used to relocate income qualified tenants in support of the City' Town Center relocation project.	\$83,000	CDBG	1 Business



**FY 2003-2004 ANNUAL ACTION PLAN**

National Goal	H&CD Vision	Obj.	Type	ID	Agency	Project	Summary	Amount	Source	Accomp.
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	NP13	Council on Aging	Linkages Case Management	Funds will be used to provide case management, health related & home services which include, assisting low-income individuals, elderly, frail elderly maintain favorable conditions of health and assisting them in identifying their health needs.	\$20,000	CDBG	143 People
Provide Decent Housing	Increase/Preserve Affordable Housing Opportunities	A-H1	Housing	CO19	County of Orange, H&CD	County of Orange - Affordable Housing Development - CDBG	County will use funds to develop sites for the purpose of developing affordable housing opportunities.	\$1,123,272	CDBG	110 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H1	PF&I	CO06	County of Orange, H&CD	EI Modena Community Center Improvements	Funds will be used to develop plans and construction documents to provide the community center with a reception area, elevator, and ramp system to provide access to the upper deck.	\$36,000	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H1	PF&I	CO05	County of Orange, H&CD	Midway City Community Center Expansion Design	Funds will be used for architectural and engineering plan design and study to expand the existing community centers.	\$48,000	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	CO10	County of Orange, H&CD	Neighborhood Preservation Program - Single Family	Funds are to provide loans and grants to income qualified persons residing in single family single and mobile home dwellings. Rehabilitation to dwellings will include but not limited to exterior improvements, and health and safety.	\$415,439	CDBG & CDBG PI	95 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H4	PF&I	CO03	County of Orange, H&CD	Page Avenue Sewer Improvements	Funds will be used for a study and design of a sewer system for structures on Page Ave. that are currently on septic system.	\$210,000	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H4	PF&I	CO08	County of Orange, H&CD	Yardley Street Storm Drain Study (Colchester to Ball)	Funds will be used for preliminary engineering for project scope, estimates and plans for storm drain located on Yardley Street between Colchester and Ball Road.	\$42,000	CDBG	200 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H2	PF&I	CO16	County of Orange, PF&RD Internal Services	North Justice Center - Remaining Courtroom Modification	Funds will be used to mitigate door access, develop an internal ADA path of travel to the facility, & provide accessible drinking fountains, signage, restrooms & communication facilities, courtrooms (eg jury box, witness stand and audience seating).	\$12,000	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H1	PF&I	NP06	Eastside Water Association	Phase VII Distribution System Replacement - Monroe Street	Project includes construction designs and plans for a new 6-inch diameter water main in Monroe Street between Bolsa Avenue and Hazard Avenue.	\$19,430	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H1	PF&I	NP16	HOMES, Inc.	Cypress House	Rehab to include new roof, window replacement, exterior painting, gate fence replacement for two (2) structures to provide affordable housing for six (6) mentally ill adults in transitional housing.	\$36,102	CDBG	2 Public Facilities
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP29	Interval House	Shelter and Outreach Services for Elderly and Youth	Funds will be used for operations and svcs for 1,200 elderly & youth victims of domestic violence. Svcs include crisis hotline, case mgmt, counseling, legal & health svcs, shelter and outreach. Outreach efforts will be 1,200 resulting in 300 people.	\$70,000	CDBG	300 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H1	PF&I	NP22	Laguna Beach Seniors, Inc.	Laguna Beach Wellness Center	Funds will be used to purchase kitchen equipment and installation costs in the senior center as part of a senior center improvement to allow for congregate and home delivery of meals to seniors.	\$120,000	CDBG	1 Public Facilities
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP21	Laura's House	Laura's House Emergency Shelter for Victims of Domestic Violence	Funds will be used to provide shelter and case management for nine (9) victims and their children of domestic violence.	\$34,625	CDBG	9 People
Provide Decent Housing	Increase Preserve Shelter for Homeless & At-Risk	D-H2	PF&I	NP27	Mercy House	Joseph House and Regina House Rehabilitation	Funds will be used to rehab transitional shelter to include A/C unit replacement, exterior painting and roof repair/re-roofing.	\$24,000	CDBG	1 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	NP33	Midway City Community Organization	Midway Community Services	Funds will be used to provide outreach, health education, child care, senior services, and information & referral for 581 people.	\$25,000	CDBG	1098 People

## FY 2003-2004 ANNUAL ACTION PLAN

National Goal	H&CD Vision	Obj.	Type	ID	Agency	Project	Summary	Amount	Source	Accomp.
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	NP36	OC Community Development Council c/o AICC	Anaheim Independencia Community Center	Funds will be used for operations and services provided at the Community Center for 630 people. Services include outreach, case management, life skills, mental health and health services, and community development.	\$50,000	CDBG	630 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	NP35	OC Community Development Council c/o El Modena Community Center	El Modena Community Center	Funds will be used for operations and services for 750 people. Services include outreach, case management, substance abuse treatment, mental health and health services, community development.	\$50,000	CDBG	750 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	NP20	Rebuilding Together Orange County	2003-2004 Rebuilding Project	Funds will be used to repair, modify, and rehab, seven owner-occupied housing units for low-income disabled and elderly households to improve the health and safety conditions to preserve and maintain affordable housing.	\$30,401	CDBG	7 Housing Units
Provide a Suitable Living Environment	Increase/Preserve Shelter for Homeless & At-Risk	F-H2/F-H3	Public Services	NP07	Senior Meal and Services, Inc.	Affordable Housing & Nutrition Services for the Elderly	Funds will be used to provide case management, home delivered meals, and shared housing assistance for 375 seniors.	\$40,000	CDBG	375 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP32	Serving People In Need	Continuum of Care Coalition	Funds will be used for case management salaries and benefits, operations and administrative costs. Supportive services include transportation, health care, food, counseling, childcare, rental assistance, housing for substance abusers, etc.	\$235,000	CDBG	490 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP08	Shelter for the Homeless	Ladder to Success Expansion	Funds will be used for operations and services for 100 homeless individuals. Services include case management, child care, counseling, education and employment services.	\$150,000	CDBG	100 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP03	The Eli Home, Inc.	The Eli Home Emergency Shelter Program	Funds will be used to provide life skills, mental health, counseling & transportation services to victims of domestic violence for the emergency shelter program.	\$50,000	CDBG	106 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP05	Women's Transitional Living Center, Inc.	45-Day Emergency Shelter Program	Funds will be used for the provision of shelter and supportive services, including case management, educational classes, counseling, substance abuse treatment, health care and life skills.	\$25,950	CDBG	100 People
Provide Decent Housing	Increase/Preserve Affordable Housing Opportunities	A-H1	Housing	CO18	County of Orange, H&CD	County of Orange - Affordable Housing Development - HOME	County will use funds for developing affordable housing opportunities.	\$1,492,012	HOME	84 Housing Units
Provide Decent Housing	Increase/Preserve Affordable Housing Opportunities	A-H1	Housing	CO20	County of Orange, H&CD	County of Orange - CHDO Set-Aside	15% of total HOME allocation set-aside for Community Housing Development Organizations (CHDOs) will be used for affordable housing.	\$298,402	HOME	20 Housing Units
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	CT16	City of Laguna Beach	Emergency Cold Weather Shelter	Funds will be used to provide emergency shelter for 40 homeless individuals in the City of Laguna Beach and surrounding cities.	\$10,500	ESG	40 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP23	Council of OC, Society of St. Vincent de Paul	Emergency Cold Weather Shelter Program	Funds will be used to provide essential services, emergency shelter, showers and meals for homeless clients.	\$117,451	ESG	364 People
Provide a Suitable Living Environment	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP02	Friendship Shelter, Inc.	Emergency Shelter	Funds will provide emergency shelter, food, life skills training, job readiness counseling, substance abuse recovery, family unification and transitional shelter to homeless adults.	\$31,499	ESG	280 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I1	Public Services	NP34	Fullerton Interfaith Emergency Services	FIES/New Vista Transitional Homeless Family Shelter	Funds will be used for the operating costs (maintenance/repair, utilities and insurance) of the New Vista Transitional Homeless Shelter for 135 people, with the length of stay of 90-120 days.	\$15,750	ESG	135 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	D-H2	PF&I	CT17	City of Placentia	Handicap Access Ramp	Funds will be used to install curbs and handicap access ramps constructed to ADA compliance in the eligible residential communities of Atwood, La Jolla and Santa Fe.	\$22,222	CDBG PI	20 Public Facilities
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	CT21	City of Placentia	Housing Rehabilitation Grant Program	Funds will be used to provide grants for minor repairs and rehabilitate exterior of structures for owner-occupied single family detached residential unit.	\$55,555	CDBG PI	10 Housing Units
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	C-H1	Rehab	CO17	County of Orange, H&CD	Neighborhood Preservation Program - Multi Family	Funds will be used to rehabilitate 126 units for low and moderate-income tenants. The scope of work will include correction of health and safety violations and exterior aesthetic improvements to units in the unincorporated areas or participating city.	\$160,023	CDBG & CDBG PI	126 Housing Units

National Goal	H&CD Vision	Obj.	Type	ID	Agency	Project	Summary	Amount	Source	Accomp.
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	CO26	Midway City Community Organization	Midway City Community Center	Midway City Community Organization will use Program Income funds for the administration of the Community Center and for support of existing youth and senior activity programs, including salaries, utilities, insurance, supplies and maintenance fees.	\$40,000	CDBG PI	N/A
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	CO25	OC Community Development Council c/o AICC	Anaheim Independencia Community Center	Funds will be used for program and support costs to operate the Community Center which offers education and youth programs to low-income seniors, families and youth. Services include food distribution, referrals, recreation and other activities.	\$17,500	CDBG PI	N/A
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	CO24	OC Community Development Council c/o El Modena Community Center	El Modena Community Center	Funds will be used to operate a full service community center that provides "one stop" services and assistance for needy families and individuals in the El Modena target area. Services include emergency food, utility assistance, senior programs, etc	\$10,800	CDBG PI	N/A
Provide Decent Housing	Increase/Preserve Affordable Housing Opportunities	A-H1	Housing	CO31	County of Orange, H&CD	County of Orange - Affordable Housing Development- HOME PI	County will use funds for developing affordable housing opportunities.	\$100,000	HOME PI	6 Housing Units
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP10	Community Services Program	CSP Youth Shelter	Funds will provide emerg. shelter, case mgmt, life skills, alco/drug abuse svcs, mental health svcs to 200 at-risk, homeless, runaway teens, while providing teen & parent counseling & aftercare svcs to family members from low income households in OC.	\$22,500	HSS	200 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	CO27	Council of OC, Society of St. Vincent de Paul	Cold Weather Armory Emergency Shelter Program	Funds will be used for the Cold Weather Armory Emergency Shelter Program.	\$170,000	HSS	N/A
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	E-H1	Public Services	CO28	Fair Housing Council of Orange County	Fair Housing Education, Counseling, and Enforcement	Funds will be used to provide fair housing education, counseling and enforcement, landlord/tenant counseling to 3,045 low-income individuals in Orange County.	\$68,204	HSS	3045 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	E-H1	Public Services	NP26	Families Forward	Homeless Prevention & Emergency Housing Support Program	Funds will be used to provide emergency housing prevention and comprehensive supportive services (case management) for 930 low-income families/2,331 low-income individuals.	\$45,000	HSS	2331 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	I-1	Public Services	NP30	Family Assistance Ministries	South County Women's and Children's Shelter	Funds will be used to provide six (6) emergency shelter beds a night for homeless women and children in South Orange County, year round for 365 days a year.	\$19,296	HSS	72 People
Provide a Suitable Living Environment	Enhance Livability of Target Neighborhoods	I-1	Public Services	NP25	Mercy House	Mercy House Center	Mercy House Center will provide case management, transportation (bus tickets), prescription vouchers, and/or referrals to 600 homeless individuals at the walk-in center.	\$35,000	HSS	600 People
Provide Decent Housing	Increase/Preserve Shelter for Homeless & At-Risk	E-H1	Public Services	NP04	Saddleback Community Outreach	SCO's Rental Assistance	Funds will be used to provide rental assistance funds to prevent evictions.	\$10,000	HSS	80 People
Provide a Suitable Living Environment	Increase/Preserve Shelter for Homeless & At-Risk	H-1	Public Services	NP01	Thomas House Temporary Shelter	Homeless Family Shelter	Funds will be used to provide case management, child care and transportation services for homeless individuals.	\$30,000	HSS	130 People

Table I-4A Includes Administration

As described in the Funding Allocation Policy & Process, it is Departmental policy to first fund applications that receive the highest-ranking scores, and then fund all other applicants in descending order until all eligible funds are exhausted. Due to the high level of competition and the limited funding available, several projects that scored at least 70 points (the minimum score required for funding consideration) have not been recommended for preliminary funding at this time; however, these projects have been put on a waiting list for future consideration in the event that additional or recaptured funding should become available and these projects are eligible for those additional or recaptured funds. **Table I-4B** below summarizes the waiting list projects for 2003.

**TABLE I-4B**  
**Summary of Waiting List Projects for 2003**

	Organization Name	Project Title	Minimum Request
	<b>PUBLIC SERVICES</b>		
1	Orange County Association of Mental Health	Forward Steps Project	\$60,000
2	Acacia Adult Day Services	Case Management/Community Outreach	\$30,000
3	Women Helping Women	Women Helping Women	\$35,000
4	Council on Aging	Long Term Care Ombudsman Service	\$28,000
5	HOMES, Inc.	Alumni Support Program	\$15,000
6	County of Orange PF&RD	County of Orange Graffiti Abatement Project	\$30,000
7	Orange Children & Parents Together, Inc.	Family Service Workers	\$28,000
8	Laurel House	Laurel House	\$20,000
9	Laguna Relief and Resource Center	Laguna Relief	\$126,300
		Public Services Subtotal:	<b>\$372,300</b>
	<b>PUBLIC FACILITIES &amp; IMPROVEMENTS</b>		
1	County of Orange, PF&RD Internal Services	West Justice Center - Remaining Courtroom Modification	\$10,000
2	City of Laguna Woods	The Installation of Wheel Chair Lifts	\$160,000
3	City of Brea	Brea Senior Center Improvements	\$56,000
4	City of Los Alamitos	Apartment Row Alley Rehabilitation	\$180,000
5	City of Los Alamitos	Multi-Use Outdoor Expansion of Youth Center Facility	\$45,000
6	County of Orange, PF&RD Internal Services	Harbor Justice Center-Remaining Courtroom Modification	\$10,000
7	City of Los Alamitos	We Care Facility Rehabilitation	\$180,000
8	City of Los Alamitos	Carrier Row Street Lights	\$180,000
9	County of Orange, PF&RD Internal Services	Central Justice Center-Floor by Floor Remodel	\$20,000
10	City of Dana Point	La Cresta Neighborhood Park Improvements	\$250,000
11	City of Placentia	Installation of Lights in Kraemer Park	\$15,000
12	Santiago County Water District	Cabinland Hydro Pneumatic System Replacement	\$75,000
		Public Facilities & Improvements Subtotal:	<b>\$1,181,000</b>
		<b>GRAND TOTAL:</b>	<b>\$1,553,300</b>

#### 11. Metro City (City of Yorba Linda)

Of the County's total CDBG funding, HUD has designated \$331,000 (for the Metro City of Yorba Linda). The Metro City of Yorba Linda has indicated that for Fiscal Year 2003-2004 they will share their 20% of administrative cost with the County for administering the program on behalf of the City and allocate their portion of the CDBG allocation in the following manner:

**TABLE I-5**  
**Funding for Activities for the Metro City of Yorba Linda**

Activity	Funding
Neighborhood Improvement Program-Code Violations	\$59,600
Senior Citizen Nutrition Program	\$41,000
Neighborhood Rehabilitation-Senior and Disabled	\$81,200
Town Center Relocation	\$83,000
Administrative Costs (City) 10%	\$33,100
Administrative Costs (County) 10%	\$33,100
<b>TOTAL</b>	<b>\$331,000</b>

**12. Homeless and Other Special Needs Activities: 24CFR§91.220(e)**

The County continues to demonstrate efforts to provide services and resources for the homeless and its residents who have special needs. The following illustrates the use of CDBG and ESG resources.

During Fiscal Year 2003-2004, the Urban County Program is proposing to allocate \$833,253 from CDBG and ESG funds to address the needs of homeless individuals and families. Activities include, but are not limited to, rehabilitation, improvements to transitional housing facilities, supportive services and emergency shelter operating costs (excludes Section 8 Rental Assistance).

**A. Homeless Activities**

Fourteen (14) proposed projects for FY 2003-2004 that serve or prevent homelessness are recommended to receive funds through the Urban County Program. The following is a breakdown of Federal funds to be allocated for homeless needs. Projects identified in **Table I-6** may overlap in categories or serve homeless persons as a portion of their programs.

**TABLE I-6**  
**Homeless Assistance with**  
**CDBG & ESG Funding**  
**FY 2003-2004**

	<b>CDBG</b>	<b>ESG</b>
Emergency Shelters	\$340,000	\$166,858
Transitional Housing	51,395	
Homeless Prevention	40,000	
Supportive Services	235,000	
Subtotal	\$666,395	\$166,858
<b>Grand Total</b>	<b>\$833,253</b>	

Does not include Direct Costs

**B. Other Special Needs Activities**

Fifteen (15) proposed projects that serve the special needs of persons who are not homeless will be funded with new CDBG funds through the Urban County program. Together, these agencies will provide housing, infrastructure improvements, and/or support services to families and individuals during Program Year 2003-2004. Services provided by these agencies are available to seniors, persons with mental or physical disabilities, persons with substance abuse problems and victims of domestic violence.

**Table I-7** is a breakdown of the total funds to be allocated to those groups with special needs. Some projects overlap in categories or may provide a specific service (e.g., substance abuse treatment) as part of a comprehensive array of services or serve non-homeless at risk as well as homeless persons.

**TABLE I-7**  
**Special Needs New CDBG Funding FY 2003-2004**

Seniors	\$387,620
Mental/Physical Disabilities	66,395
Substance Abuse	285,000
Domestic Violence	190,000
<b>Total:</b>	<b>\$929,015</b>

Does not include Direct Costs

Services and facilities meeting homeless needs and special needs of certain persons who are not homeless are generally dedicated to serving individuals and families on a countywide basis. In

most cases, assistance will not be limited to individuals and families within the proximity of the facility.

### C. Continuum of Care Homeless Assistance

Despite an expanding and diverse economy, the County is experiencing many of the ailments of a growing metropolitan area, including the widening of the income gap between the rich and poor, a growing lack of affordable housing, and a homeless population with increasing housing and service needs. According to the County's 2002 Gaps Analysis (**Table I-9**), at any point in time there are 23,132 homeless in Orange County. Homeless needs and priorities continue to be identified through the County's Continuum of Care System. Among the homeless families, many are survivors of domestic violence, which has become a more noticeable and visible population. Due to physical and mental limitations, many homeless individuals will need sustained services and special housing on a long-term basis.

In 1998, the County of Orange developed a comprehensive, coordinated and regional Continuum of Care strategy that included the participation of all thirty-one cities (now thirty-four cities) in Orange County, County Agencies, the County's homeless housing and service providers and other community groups (including non-profits, local governmental agencies, faith-based organizations, the homeless and formerly homeless, as well as interested business leaders) to identify the gaps and unmet needs of the County's homeless. To facilitate their mission, the Orange County Continuum of Care Steering Committee and the Leadership Cabinet were formed. This grassroots, community-based effort, in conjunction with a comprehensive needs assessment, resulted in the development of funding priorities aimed to serve the most pressing, unmet needs of the homeless in Orange County.

Due to the formation of the Continuum of Care System and the continual effort of the participating parties, the County has successfully been funded during the 1996, 1998, 1999, 2000, 2001 and 2002 SuperNOFA Continuum of Care Homeless Assistance Grant competitions. The 2002 SuperNOFA award of \$9,729,254 million was the largest SuperNOFA Continuum of Care Homeless Assistance grant award for Orange County since its inception in 1996. The 2002 awardees are as follows on **Table I-8**:

**TABLE I-8**  
**2002 SuperNOFA Continuum of Care Conditional Awards**

\$1,128,600	Mercy Housing California (County of Orange Housing & Community Dev.)
\$157,500	John Henry Foundation – Renewal
\$553,068	Orange County Housing Authority – Renewal
\$1,961,460	Orange County Housing Authority
\$941,000	OC Partnership (Shelter, Hunger and Health Partnership of Orange County)
\$836,700	Anaheim Supportive Housing for Senior Adults, Inc. (ASHSA)
\$103,824	County of Orange Housing & Community Development Dept. – Renewal
\$1,650,984	The Eli Home
\$388,628	OC Association of Mental Health – Renewal
\$238,500	Interval House – Renewal
\$394,900	Shelter for the Homeless
\$100,245	Human Options – Renewal
\$313,412	Women's Transitional Living Center
\$406,926	Families Forward
\$257,250	Olive Crest Treatment Centers – Renewal
<u>\$296,257</u>	YWCA of Central Orange County – Renewal
\$9,729,254	TOTAL CONDITIONAL AWARD

**TABLE I-9**  
**2002 CONTINUUM OF CARE GAPS ANALYSIS**  
**Per the 2002 SuperNOFA Continuum of Care Associated Application**

		Estimated Need	Current Inventory	Unmet Need/Gap	Relative Priority
<b>Individuals</b>					
<b>Example</b>	Emergency Shelter	115	89	26	M
<b>Beds/Units</b>	Emergency Shelter	3,470	1,017	2,453	L
	Transitional Shelter	3,470	401	3,069	M
	Permanent Supportive Housing <sup>1</sup>	11,211	8,076	3,135	H
	<b>Total</b>	<b>18,151</b>	<b>9,494</b>	<b>8,657</b>	
<b>Supportive Service Slots</b>	Job Placement/Retention Services	5,205	554	4,651	M
	Case Management	6,940	1,012	5,928	M
	Substance Abuse Treatment	3,678	2,134	1,544	H
	Mental Health Care	5,205	3,380	1,825	H
	Housing Placement	6,940	403	6,537	M
	Life Skills Training	6,940	723	6,217	L
	Other: Food	6,940	5,359	1,581	L
	Other: Showers	6,940	2,345	4,595	L
	Other: Household Furnishings	2,082	463	1,619	M
	Other: Debt/Consumer Counseling	1,735	638	1,097	L
	Other: Employment Training	5,205	825	4,380	M
	Other: Health Care	3,470	2,127	1,343	H
	Other: Mentoring	1,735	212	1,523	M
	Other: Transportation	5,552	395	5,157	M
	Other: Counseling/Therapy	1,735	471	1,264	H
	Other: Legal	208	46	162	L
<b>Sub-Populations</b>	Chronic Substance Abusers	2,147	537	1,610	H
	Seriously Mentally Ill	2,060	19	2,041	H
	Dually-Diagnosed	3,355	19	3,336	H
	Veterans	2,082	54	2,028	L
	Persons with HIV/AIDS	1,560	45	1,515	M
	Victims of Domestic Violence	179	43	136	L
	Youth (17-21)	1,988	71	1,917	M
	Other: Multi-Diagnosed	670	18	652	H
	Other: Physical Disabilities	510	0	510	H
	Other: Seniors	1,320	6	1,314	M
	Other – Pregnant	281	62	219	L
<b>Persons in Families with Children</b>					
<b>Example</b>	Emergency Shelter	115	89	26	M
<b>Beds/Units</b>	Emergency Shelter	8,096	476	7,620	L
	Transitional Shelter	8,096	993	7,103	M
	Permanent Supportive Housing <sup>1</sup>	87,548	37,645	49,903	H
	<b>Total</b>	<b>103,740</b>	<b>39,114</b>	<b>64,626</b>	
<b>Supportive Service Slots</b>	Job Placement/Retention Services	1,446	386	1,060	M
	Case Management	5,783	1,161	4,622	H
	Childcare	12,000	924	11,076	M
	Substance Abuse Treatment	2,892	661	2,231	H
	Mental Health Care	2,892	1,363	1,529	M
	Housing Placement	5,783	872	4,911	M
	Life Skills Training	16,193	1,194	14,999	M
	Other: Food	16,193	7,941	8,252	L
	Other: Showers	16,193	977	15,216	L
	Other: Household Furnishings	1,735	756	979	M
	Other: Debt/Consumer Counseling	1,446	797	649	L
	Other: Employment Training	1,446	663	783	M
	Other: Health Care	12,145	5,684	6,461	H
	Other: Mentoring	5,783	668	5,115	H
	Other: Transportation	4,627	1,134	3,493	M
	Other: Counseling/Therapy	1,446	914	532	M
	Other: Legal	173	109	64	L
<b>Sub-Populations</b>	Chronic Substance Abusers	304	80	224	M
	Seriously Mentally Ill	507	0	507	H
	Dually-Diagnosed	99	0	99	H
	Veterans	173	0	173	L
	Persons with HIV/AIDS	327	0	327	M
	Victims of Domestic Violence	2,067	445	1,622	H
	Other: Multi-Diagnosed	353	0	353	H
	Other: Physical Disabilities	1,190	0	1,190	H
	Other: Seniors	566	0	566	M
	Other – Pregnant	118	26	92	L

INCLUDES PERMANENT AFFORDABLE HOUSING AVAILABLE TO HOMELESS AND NON-HOMELESS, AND PERMANENT SUPPORTIVE HOUSING. THESE NUMBERS ARE NOT INCLUDED IN ORANGE COUNTY'S COUNT OF THE HOMELESS (ONLY THE TOTAL ESTIMATED NEED FOR EMERGENCY AND TRANSITIONAL SHELTER).

## **D. Orange County Continuum of Care System**

Orange County's current homeless system of care is comprised of a network of public, private, faith-based, for-profit, and non-profit service providers. County agencies such as the Housing and Community Development Department, Health Care Agency, Social Services Agency and Community Services Agency provide direct services for the homeless and/or significant resources for agencies serving the homeless. The region's municipalities also provide substantial resources for services that assist the homeless and those at risk of becoming homeless.

Due to the growing number of homeless in Orange County and the need to improve coordination among County agencies, non-profits, cities, and other groups, the Orange County Board of Supervisors continues its commitment to support a Homeless Prevention and Related Programs Coordinator position within the Housing and Community Development Department.

A solid partnership continues to exist between H&CD's Homeless Prevention Programs, Info Link Orange County, and OC Partnership (formerly known as Shelter and Hunger Partnership) to conduct Community Forums to focus on the entire system of care. These Forums provide regional and coordinated meetings that focus on all issues relating to the County's Continuum of Care System. Issues include temporary shelter and affordable housing, health care, case management, transportation, supportive services, legislation, funding, and other related issues. Numerous public/private partnerships and collaboratives have been and continue to be developed and have enabled Orange County to expand the system of care through year-around, regional planning and coordinated efforts to better assist the homeless. When combined, these coordinated efforts decrease fragmentation and strengthen Orange County's Continuum of Care System.

In addition to the Community Forum, Assessment Groups have been established to improve the current system of care by bringing together collaboratives, task forces, and other groups that focus on meeting homeless needs. Furthermore, these Assessment Groups are now being modeled after components of the system of care as follows: Advocacy; Homeless Prevention/Outreach & Assessment; Emergency Shelter; Transitional Shelter; and Permanent Affordable Housing. These groups meet on a monthly basis.

The Assessment Groups help to facilitate long range planning as well as integration of temporary shelter and affordable housing with necessary supportive services. These elements help to create a seamless Continuum of Care System.

## **E. Reuse of Military Bases**

Previous Annual Action Plans addressed the closure and redevelopment of the two military facilities in Orange County: Marine Corps Air Station (MCAS) El Toro and Marine Corps Air Station Tustin. The Federal government has designated the Board of Supervisors as the Local Redevelopment Authority (LRA) for the reuse of MCAS El Toro and the City of Tustin (a CDBG entitlement City) as the LRA for MCAS Tustin. Each LRA is given the responsibility for planning the reuse and redevelopment of the closed military facility.

### **i. MCAS Tustin**

The 1,602-acre Marine Corps Air Station (MCAS) Tustin was announced for closure in March 1991 pursuant to the Defense Base Closure and Realignment Act of 1990 (BRAC), as amended. The City of Tustin, the LRA for MCAS Tustin, proceeded immediately with planning the reuse of the base by creating a 19-member Base Closure Task Force that included representatives from the cities of Irvine, Santa Ana, Tustin, the County of Orange, the Chamber of Commerce and local business interests, local homeowner's associations, the Marine Corps, and the community-at-large. Prior to identifying any reuse alternatives or scenarios, the Task Force held 20 public hearings and 20 subcommittee meetings, weekend workshops, and considered the results of 33,000 public opinion surveys mailed to the community. The Reuse Plan unanimously approved by the Task Force requests the Navy to convey nearly one-third or 518 acres of property at MCAS Tustin to public and 242 residential units for homeless use.

On May 14, 2002, the Department of Navy executed an Agreement with the City of Tustin approving an Economic Development Conveyance (EDC) transferring approximately 977 acres of property at the former Marine Corps Air Station (MCAS) Tustin to the City by deed and an



additional 176 acres by a Lease in Furtherance of Conveyance (LIFOC). The City and Navy are currently implementing the provisions of the Reuse Plan and EDC.

## ii. El Toro Marine Corps Air Station (MCAS)

In March 2002, the voters of Orange County passed the "Orange County Central Park and Nature Preserve Initiative" (Measure W). This initiative amended the County General Plan north of the SCRRA Metrolink rail line (the portion of MCAS El Toro presently in the County) to designate the unincorporated County land for park, open space, and other uses, effectively removing the designation of the site as a commercial airport from the General Plan. Following the passage of the initiative, the Board of Supervisors decided on April 16, 2002, to cease further planning for El Toro and to support the annexation and land use planning of the property by the City of Irvine.

The County of Orange, as the designated Local Redevelopment Agency (LRA), made nine recommendations for Federal property conveyances to the Department of the Navy.

**TABLE I-10**  
**County Recommendations for Former El Toro MCAS**

1. Salvation Army	(1) 15 existing family housing units in the "transitional housing area"; (2) approximately 45,000 sq. ft. of Building 360
2. Orange County Community Development Council (OCCDC)	Approximately 69,920 sq. ft. Building 360
3. Community Housing Assistance Program, Inc. (CHAPA)	100 existing family housing units in the "transitional housing area"
4. SBC Community Homeless Coalition	10 existing family housing units in the "transitional housing area"
5. Council of Orange County Society St. Vincent de Paul	Buildings 319 (126,729 sq. ft.) and 322 (10,653 sq. ft.)
6. Orange County Community Housing Corporation (OCCHC)	30 existing family housing units in the "transitional housing area"
7. Orange County Social Services Agency	30 acres "in the northern portion of MCAS El Toro" including "existing buildings on the site, related parking facilities, and ingress and egress to the site" for a children's center
8. Families Forward	(1) 10,000 sq. ft. in Building 360 plus parking, loading docks, and ingress/egress; (2) "25 childcare slots in the facility proposed for inclusion in the education complex"
9. American Riding Club for the Handicapped	(1) 10 existing family housing units in the "transitional housing area"; (2) Incorporation of "proposed job training program into the educational complex developed at MCAS El Toro"; (3) "access to the equestrian stables at MCAS El Toro ...to continue implementation of ...riding therapy program. Without regard to location, ownership, or stable management, ...will be provided up to 25 stalls, tack room, minimal office space, and appropriate storage space." (approximately 10,000 sq. ft.)

The Department of the Navy has committed to supporting these conveyances. As part of its annexation process, the City of Irvine is currently considering a General Plan Amendment and Zone Change for the former MCAS El Toro. The City has included all of these conveyances into its planning documents.

## F. Local Funding

During FY 2003-2004, the County dedicated local funding to supplement the federal funds allocated to assist the homeless and non-homeless with special needs. As in previous years, \$170,000 in Housing Supportive Services (HSS) funds was set-aside to fund the Cold Weather Armory Emergency Shelter Program. As described in **Table I-16**, a total of \$230,000 in HSS funds will be allocated to additional projects serving homeless and special needs populations.

**13. OTHER ACTIONS: 24CFR §91.220 (f)****A. Obstacles to Meeting Under-served Needs**

As discussed in the Consolidated Plan, obstacles to meeting the under-served needs of households within the low and moderate-income levels are generally based on available financial resources, construction costs and citizen support of the concept of affordable housing. The County has taken affirmative measures to improve on the availability and use of resources by allocating funds to a variety of activities and organizations.

The recruitment of lenders and banking institutions to participate in County housing programs has been ongoing. Current land use planning policies help to reduce costs and fees associated with new construction. Certain zoning regulations have been developed to allow greater flexibility to develop high-density projects. Finally, the County has made an effort to promote more citizen involvement in its activities to promote greater understanding of the issues associated with its housing and community development projects.

**B. Fostering and Maintaining Affordable Housing**

In 2000, the Board of Supervisors made affordable housing its top financial strategic priority. The need for affordable housing throughout Orange County is marked by the jobs/housing balance which in Orange County is 3.67 to 1. In the past three years, \$18 million have been committed by the County in local, state, and federal funds toward the development of 1,354 rental housing units (697 units in FY 2003). These projects are located not only within the county's jurisdiction, but also within the entitlement jurisdictions acknowledging the regional need for affordable housing opportunities in Orange County. The County plans to continue fostering and maintaining affordable housing.

The County of Orange has annually demonstrated its commitment to providing and maintaining affordable housing to all low and moderate-income sectors of the County. Besides participating in programs that rehabilitate existing affordable units and provide rental assistance, the County is committed to meeting a goal of being involved regionally in constructing 1,000 new affordable rental units for extremely low and low-income families as well as for persons with special needs (i.e., elderly and disabled). The County has been successful at leveraging federal funds with local and state financing in the effort to develop affordable housing.

**C. Removing Barriers to Affordable Housing**

The County faces several constraints that hinder its ability to accommodate Orange County's affordable housing demand. The high cost of land, rising development costs, high development fees, and significant neighborhood opposition makes it expensive for both public and private developers to build affordable housing.

**i. Available Land**

Land appropriate for building affordable housing is expensive in Orange County, largely because it is scarce. According to the "Affordable Housing Strategy for Orange County", adopted by the County Board of Supervisors on May 4, 1999, high and rapidly rising land costs in the County continue to stifle development.

**ii. Costs**

High development costs in Orange County also stifle potential affordable housing developments. Construction costs for residential units have increased rapidly over the last decade, to the point where a typical new two-bedroom apartment costs around \$160,000 to develop. High costs can be directly linked to land costs, government fees, permits fees, costs relating to utility installation and hook-up, and costs associated with delays in obtaining the required discretionary use permits and other entitlements.

Rehabilitation often incurs expensive temporary or permanent relocation costs. Mandated by the use of Federal or State funds, these regulations can add an additional \$20,000 per unit to the

development budget. While tenants must be compensated for relocation expenses, these costs alone make many rehabilitation projects infeasible.

### iii. **Article 34**

Article 34 of the California constitution requires voter approval of affordable housing projects using government funding that requires rent restrictions on more than 50% of low-income units (CDBG, HOME, or other sources). This law was championed by California Realtors and was intended to prevent the expansion of public housing in the state. It has served as a major impediment to many other kinds of affordable housing, as well as adding delays, extra cost, and even more confrontational community politics to the already difficult development process. The County did pass an Article 34 referendum on June 2, 1980, when voters approved affordable housing in their communities subject to certain limitations. Several cities joined the unincorporated County on this initiative so that affordable housing falling under Article 34's purview is approved not only in unincorporated areas but in La Habra, Anaheim, Buena Park, Costa Mesa, Huntington Beach, Los Alamitos, San Clemente, San Juan Capistrano and Tustin. The limitation is that the total number of "low-rent" government-funded units produced cannot exceed 5% of the total number of dwelling units within the jurisdiction in question.

### iv. **Neighborhood Concerns**

Many neighborhoods have an understandable concern with preserving property values and the quality of life in their communities. Unfortunately, many residents relate these concerns to the presence of affordable housing and have not recognized that well-built, attractive, well-managed affordable housing developments can, and have, improved neighborhoods, and that the residents in such quality developments may not necessarily be burdensome. Those served by affordable housing include:

- Teachers;
- Small-business owners;
- Police officers;
- Health workers;
- High-tech employees; and
- Entertainment industry workers.

As other jurisdictions have discovered, the failure to house the workers needed to support major economic growth can have the effect of strangling local economies. In large part, the housing needs of Orange County center on the working population.

The County recognizes these barriers and continues to employ strategies to overcome them. In 1999, the County Board of Supervisors adopted the "Affordable Housing Strategy for Orange County" which identified the best methods for fostering and maintaining affordable housing while addressing the existing barriers to building new affordable units. The County will continue to actively support and participate in a number of committees (e.g., the Kennedy Commission) whose function is to better serve the affordable housing needs of Orange County.

More recently, the County of Orange has addressed the issues surrounding land availability through the Housing Element process required by the State of California Housing and Community Development Department. The Housing Element document directly addresses the land available on which to develop affordable housing in Orange County. By 2005, the County unincorporated area is expected to need 22,500 new housing units, of which approximately 4,000 units must be for very-low income households. The County is working with landowners, business representatives, housing advocates and County officials to address how to provide these new affordable housing units and remove barriers.

In response to the "Grand Jury Report on Affordable Housing in Orange County", H&CD has taken the lead on producing a map of all sites identified through the Housing Element process as areas for affordable housing development throughout Orange County.

#### **D. Reducing Lead-Based Paint Hazards**

On September 15, 1999, HUD issued the final rule requiring lead-based paint hazard control testing, interim controls and abatement on all housing constructed prior to 1978 and where HUD funds are being used.

An estimated 93,077 housing units within the County's jurisdiction were constructed prior 1978. The County, in a joint effort with 21 cities (Cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, La Habra, Los Alamitos, Orange, Placentia, San Clemente, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda), the County Health Department, the State Department of Health Services, nonprofit organizations and three housing authorities within Orange County have taken the lead role in establishing a collaborative by researching Federal and State regulations, hosting workshops and sharing information.

The purpose of the collaboration is to identify and address elevated levels of lead exposure to occupants of structures constructed prior to 1978, develop statistical data, test children, and monitor their environment until the levels of lead are safe. County staff will monitor and provide support to service providers who currently implement various types of home improvement programs funded by the Department of Housing and Urban Development and supplemented by state and local funds. The collaborative will consolidate resources, obtain economies of scale from service providers, and apply for program funds when funds become available.

During the 2001 and 2002 SuperNOFA Competition, the County of Orange H&CD, as the lead agency representing the collaborative, applied for \$2.9 million in Lead Hazard Control Grant Program funds. Unfortunately, these applications were not successful in receiving funding.

The County of Orange currently requires Lead-Safe practices, interim controls, and/or the abatement of lead-based paint hazards in all units assisted with local Federal housing and community development funds. On February 26, 2002, the Board of Supervisors approved using CDBG, HOME and OCDA funds to comply with federal lead-based paint hazard control mandates. The County, through its Rehabilitation Program, will continue to test for lead-based paint in each assisted unit.

#### **E. Reducing the Number of Poverty Level Families**

On October 6, 2000, OCHA entered into an agreement in the amount of \$4 million with the County of Orange Social Services Agency (SSA) to assist CalWORKs recipients who had been issued a new Housing Choice Voucher to locate and secure affordable housing. This collaborative effort was intended to enable OCHA to expend \$2 million of SSA funds for use on emergency intervention services to assist 740 eligible CalWORKs families within a three-year period. OCHA also entered into contracts with three local city Housing Authorities in Anaheim, Garden Grove and Santa Ana to utilize the remaining \$2 million to implement comparable programs. Under these agreements, the four Housing Authorities established a goal of assisting a combined total of 1,500 families.

In October 2002, this program was ended due to state budget cuts that impacted SSA. By December 31, 2002, 438 CalWORKs families had found suitable housing out of 485 participating families, and \$254,488 was expended in emergency intervention services as a result of the CalWORKs program.

#### **F. Institutional Structure**

The County did not find any deficiencies in its current institutional structure. Therefore, no changes are anticipated. Section IV of the Consolidated Plan FY 2000-2005 contains a complete description of the County's institutional structure.

#### **G. Enhance Coordination between Public and Private Housing and Social Services Agencies**

The County has maintained and strengthened its relationship with the private sector (for-profit owners, developers) and nonprofit developers by continuing to foster new opportunities to facilitate the development of more affordable housing projects. Through disbursement of available local

resources (i.e., OCHA operating reserve funds and County redevelopment funds), H&CD has become involved in new housing construction projects in all parts of Orange County.

These new endeavors not only create additional affordable housing units, but several will also be developed to specifically help certain groups with special needs (i.e., elderly, disabled). The County does not recognize any deficiencies with its current coordination policies but has plans to enhance its relationships with the private sector, nonprofit and governmental agencies, schools and labor unions in facilitating economic opportunities for entrepreneurship into the neighborhood.

#### **i. Orange County Housing Authority**

Orange County Housing Authority (OCHA) entered into an agreement with the County of Orange Social Services Agency (SSA) to assist CalWORKs recipients with new Housing Choice Voucher to locate and secure affordable housing. This collaborative effort was intended to assist 740 eligible CalWORKs families. Additionally, OCHA entered into contracts with the other three local city Housing Authorities in Anaheim, Garden Grove and Santa Ana, to assist a combined total of 1,500 families. In October 2002, this program was ended due to state budget cuts that impacted SSA.

#### **ii. Orange County Continuum of Care**

As described earlier in greater detail in the "Orange County Continuum of Care System" and "Continuum of Care Homeless Assistance" sections of this document. The Orange County Board of Supervisors continues its commitment to support a Homeless Prevention and Related Programs Coordinator position within the Housing and Community Development Department.

The County's Continuum of Care system has created a solid partnership and network between public, private, faith-based, for-profit, non-profit service and County agencies (Housing and Community Development Department, Health Care Agency, Social Services Agency and Community Services Agency) that provide direct services for the homeless and/or significant resources for agencies serving the homeless. The regional effort provides substantial resources for services that assist the homeless and those at risk of becoming homeless.

#### **iii. Domestic Violence Strategic Plan Workgroup**

In an attempt to address the problem of domestic violence more directly in Orange County, in October of 2001 with County Executive Office (CEO) concurrence, Social Services Agency (SSA) convened a working group of county agencies to begin the process of developing a strategic plan for dealing with domestic violence. The intent was to develop a countywide plan that would improve coordination among county agencies, promote integrated service delivery, and maximize resources addressing domestic violence. Participating agencies included Child Support Services (CSS), Community Services Agency (CSA), Health Care Agency (HCA), Housing and Community Development (H&CD), Probation and Social Services Agency. Monthly meetings were convened and attended by representatives from each of the agencies.

Via an internal data gathering process, a comprehensive inventory of county provided and funded domestic violence services was developed. This was followed by the crafting of a survey that was sent to domestic violence service providers to collect data regarding the wealth of services and programs currently in place. In addition, information was solicited regarding services needs, barriers to service and best practices. The domestic violence service providers later joined the monthly workgroup meetings to discuss these issues and provide input into the planning process and the plan itself.

### **H. Fostering Public Housing Improvements**

The County of Orange does not participate in a Public Housing Program. Therefore, no action is anticipated in this area during Program Year 2003-2004.

#### **I. Public Housing Resident Initiatives**

The County of Orange does not participate in a Public Housing Program. Therefore, no action is anticipated in this area during Program Year 2003-2004.

## 14. Fair Housing Requirements

Equal access to residential housing is a fundamental right that must be maintained and monitored to the greatest extent possible. Consistent with program requirements, the County has had a long term association with the Fair Housing Council of Orange County and incorporates that agency's services in its overall strategy of regional fair housing planning and coordination.

The County of Orange, in partnership with 30 incorporated Cities, collaborated with the Fair Housing Council of Orange County (FHCOC) to produce the Year 2000 Update of the Orange County Regional Analysis of Impediments (AI) to Fair Housing Choice Report. Included in the list of participating cities are 13 small cities who, through the execution of multi-year cooperative agreements, are part of the Urban County.

The required study identified impediments to fair housing and also recommended actions to take to overcome the effects of these impediments. The County's primary fair housing contractor is the FHCOC. The Fair Housing Council of Orange County administers the local fair housing enforcement program and monitors all actions taken, as well as the results of actions taken, to overcome or eliminate recognized fair housing impediments. Data contained within the 2000 Update Report is based largely on 1990 Census Data. As 2000 Census Data becomes available, new studies will eventually be produced.

### A. Impediments identified in the 2000 Update include the following:

#### 1. Lending Practices

Analysis does not necessarily conclude that current lending practices across the Orange County region are a direct impediment to fair housing; however, it is evident that the region has not maintained a proactive position in monitoring the fair lending practices. Efforts have been limited to partnerships with local universities and colleges to develop studies of available Home Mortgage Disclosure Act (HMDA) data. The end result of these studies have not had the desired effect of addressing or eliminating possible disparities by race and national origin as evidenced by the HMDA data.

#### 2. Insuring Practices

Data analyzed may suggest that insurance companies may be targeting certain zip codes for higher rates of denial or different terms and conditions. The 2000 Update stated that, "this issue was beyond the scope of this AI, and as such, no verifiable evidence of differential treatment exists."

#### 3. Outreach and Education

Local jurisdictions within the Orange County region lack a formal or consistent fair housing education system designed to educate administrators and policy planners whose position of employment may impact or affect fair housing issues, such as planning and zoning, public housing authority policies and code enforcement.

On another front, recent immigrant populations may not have adequate information available regarding their basic housing rights, which could potentially lead to increased opportunities for unfair practices going unnoticed.

#### 4. Public Policies/Programs

It is common for local jurisdictions to prepare their long range planning, development and enforcement strategies in an independent manner. This has had the effect of the Orange County region having many distinct policies and programs that may be inconsistent with one another and thus affect the development of a comprehensive plan that affirmatively furthers fair housing on a regional basis.

**B. Recommendations designed to address the aforementioned impediments are as follows:**

**1. Lending Practices**

Each local jurisdiction should make efforts to study the available Home Mortgage Disclosure Act (HMDA) data closer to determine the appropriate course of action, if any, that is necessary to ensure that legal, standardized lending practices are being followed. This can be done individually or in association with their local fair housing provider or other outside consultant.

**2. Insuring Practices**

Local jurisdictions may choose to conduct an audit of local insurance carriers to determine if this is a problem, and if so, isolate the basis for the higher denial rates.

**3. Outreach and Education**

Local jurisdictions should seriously consider implementing policies that require all employees whose position (regardless of classification) may impact local and regional fair housing issues, to receive formal fair housing training on an annual basis.

With regard to the growing numbers of the immigrant population, local governments should provide education and outreach to service organizations that specifically assist new immigration populations. This outreach should consist of educational opportunities as well as written information to educate staff members and to provide same to their clients.

**4. Public Policies/Programs**

Local governments should continue to monitor and review their local policies and programs in regard to fair housing concerns. All jurisdictions should consider requiring all potential recipients of government funding (i.e., local/state/federal) for housing related programs to assist the jurisdiction to affirmatively further fair housing. It may be of benefit for each jurisdiction to view their policies and programs as a piece of the larger, regional landscape.

The Orange County region has a well established and effective private fair housing council that has provided dynamic and comprehensive educational and enforcement programs to the local jurisdictions it serves. This example of public-private partnership continues to be a model for other areas and is considered one of the best in the nation. The County of Orange, like all other local jurisdictions, continues to support and operate fair housing services at their present level of effectiveness and responsiveness.

**C. Actions to Address Identified Impediments**

The following actions have been identified in the regional AI as possible actions to address the identified impediments.

1. Continue to support fair housing services at an effective and responsive level. It is anticipated that the Fair Housing Council of Orange County will provide fair housing services to 34 households during the 2003-2004 Program Year. This will be combined with housing related assistance to an additional 1,443 households.
2. Undertake a study of regional HMDA data to determine an appropriate course of action, if any. Study may be conducted by the Fair Housing Council of Orange County staff or outside contractor.

FHCOC is in the process of completing work on the project funded by a U.S. Department of Housing and Urban Development grant under the Fair Housing Initiatives Program (FHIP). Regional HMDA data analysis has been conducted in conjunction with that project. Once project activities are concluded, findings of significance will be made known to Grantees by FHCOC.

3. Grantees should consider implementing policy requiring all employees whose position impact fair housing issues to attend fair housing training on an annual basis.

FHCOC offers fair housing education, which is available to Grantee staff. The education takes the form of an overview presentation, available for no charge, or more comprehensive education available for a per capita fee. Grantees that have established a policy for staff fair housing education are encouraged to contact FHCOC to coordinate the provision of this education.

4. Provide education and outreach services to the community.

As part of our ongoing contract activities, FHCOC engages in a variety of outreach and education activities. They prepare and make available to broadcast and cable media both audio and video public service announcements, make available speakers to appear before community organizations and groups and participate in public events such as community fairs or resource workshops. FHCOC also offers fair housing education to housing and real estate professionals for a fee.

FHCOC has successfully developed and distributed 2 30-second video PSA's that have aired on broadcast outlets in the Southern California Market. The most recent included participation by Congresswoman Loretta Sanchez (D-Santa Ana). In the coming year FHCOC expects to add another PSA for local distribution.

Grantees are encourage to publicize the availability of FHCOC fair housing education activities through their existing community outreach mechanisms. Grantees are also encouraged to make opportunities for community presentations or outreach within their jurisdictions known to FHCOC, and to refer persons or groups with an interest in this type of education to FHCOC.

5. Conduct an audit of local insurance carriers to determine if there is a problem with redlining and if so, isolate the basis for higher denial rates.

FHCOC presently lacks resources to pursue such an audit. Attempts to secure grant funds for this activity will be undertaken by FHCOC. Possible sources of grant funds include the federal government, private foundations or funds obtained in settlement of insurance redlining litigation. Grantees are encouraged to assist FHCOC in becoming aware of possible sources of grant funds for this purpose and to consider joining a regional cooperative effort to fund such an audit.

6. Review and monitor local policies to assess impact on fair housing choice.  
Require potential recipients of government funding to assist with affirmatively further fair housing

FHCOC will assist Grantees in assessing the impact of their local policies, if any, on fair housing choice. FHCOC will refine and improve, redistribute and analyze Grantees' answers to the questionnaire inquiring into various local policies previously used in the preparation of the regional A.I. FHCOC will inform Grantees of any policies thus identified that appear to have an impact, either positive or negative, on fair housing choice within their jurisdiction.

#### **D. Additional Fair Housing Activity**

FHCOC has been successful in securing a FHIP - PEI grant that will commence project activity on June 1, 2003 and run through May 31, 2004. The project funded under the grant will focus on fair housing issues with regard to immigrants, especially those recently arrived immigrants with limited English proficiency. It is anticipated that a portion of this project will involve recent immigrant residents of the County of Orange's urban county jurisdiction.



## 15. Monitoring/Compliance

### A. Accountability & Performance

With a change in the term of funding commitments to a multiple year format, the Grant Application Review Process places an even greater emphasis on accountability and performance. The multi-year cycle for Public Services and yearly cycle for Public Facilities & Improvements and Housing Rehabilitation Grant Applications require that all proposals be accompanied by a summary of the project's past performance in terms of drawing down funds and meeting its proposed accomplishments. The County has and will continually convey to all sub-grantees that assurance of funding for the multi-year commitment is predicated on the applicant demonstrating to the Application Review Committees (ARC) that the development or progress of their proposal clearly shows that prior year funds have been disbursed or committed and that anticipated levels of performance have been met. This approach is consistent with the Board of Supervisors approval of the Funding Allocation Plan Policy & Process and Citizen Participation Plan that outlines program policies and emphasizes accountability and performance. The Housing and Community Development Department constructed a set of procedures designed to capture the level of performance and progress of current contracts requesting continued funding. In assessing project performance, Housing and Community Development staff is committed to providing a comprehensive and concentrated effort to present the ARC with the most accurate and up-to-date information on each sub-grantee's performance level, including materials relating to performance levels associated with prior year contracts with outstanding balances.

The need to determine progress and evaluate performance was amplified by a notice issued by the U.S. Department of Housing and Urban Development (HUD) announcing a new policy relating to timely expenditure of Community Development Block Grant (CDBG) funds. Under the new policy, HUD will reduce future grant amounts by 100% if a grantee's (i.e., the Urban County) balance of its line-of-credit exceeds 1.5 times its annual grant allocation by April 30 of the Program Year.

H&CD has continued to refine its monitoring activities with new emphasis on documenting and measuring performance and accomplishments. On-site visits to subrecipients and project locations have increased and standardization has enhanced the accuracy of documentation.

The following Subrecipient Monitoring Plan was originally approved in November 1998. This procedure established policies and procedures for administering a comprehensive monitoring strategy by detailing roles and responsibilities to the various divisions and sections within the Department and also the responsibilities and expectations of the subrecipients in terms of record keeping and reporting. The Plan includes Department goals and general policies and procedures for general oversight and in-house review, on-site monitoring visits, and monitoring follow-up by the Department. It includes record-keeping checklists, monitoring visit worksheets and regulation excerpts to assist the monitoring team in conducting a comprehensive evaluation of the agency being monitored.

### B. Monitoring Compliance Plan

The New Monitoring Plan was effective during the Fiscal Year 2000-2001 contracts. Starting July 1, 2000 besides regular site visits to provide technical assistance to subrecipients, all projects/programs funded by H&CD are to be officially monitored at least 3 times per fiscal year as follows:

As soon as a contract is executed Project Leaders shall meet with subrecipient staff to perform contract review, point out contract requirements (including, but not limited to, compliance issues such as Labor Standards, Davis-Bacon, Lead-based Paint, Payment process based on performance, Grantee Performance Report (GPR), Insurance compliance, Extension deadlines) and levels of accomplishment set forth in the contract, clarifying any items/issues pertaining to contract and answer subrecipient's questions on program requirement and procedures.

#### 1) August-September: Performance Monitoring

Project Leader shall perform his/her 1<sup>st</sup> monitoring on site to:

- Set up milestones for accomplishment with subrecipient.

- Set up monitoring schedule at this time and specify required documentation.
- Take before and after photos for file documentation.
- Inform subrecipient that payment will be based on project performance.
- Review contract requirements, performance and accomplishments requirements with subrecipient.
- Provide technical assistance/suggestions for improvement.
- Identify problems or concerns and recommend solutions to subrecipient.
- Review all requests for payment based on subrecipient's performance.

## **2) December-February: Compliance Monitoring**

Project Leader shall perform a 2nd monitoring at this time to:

- Review subrecipient's compliance with contract requirements.
- Is subrecipient meeting all contractual special Federal requirements?
- Is subrecipient performing adequately, meeting milestones?
- Are activities/expenditures eligible?
- Are activities documented? Records available to justify expenditures?
- Is there a timely expenditure of funds?
- Provide technical assistance/suggestions and/or solutions to problems.
- Complete Monitoring Forms with report letter to subrecipient informing subrecipient of monitoring results, citing findings, concerns and suggestions.
- Prepare written report to Section Chief on status of project/program with recommendations, if applicable.

## **3) May-July: Exit Monitoring**

This is the last monitoring before project/program is closed out. Project Leader shall:

- Verify that all contractual special Federal requirements have been met.
- Verify and certify that contract goals are met by contract deadline.
- Verify that required record keeping by subrecipient is adequate for future H&CD and HUD audits.
- Remind subrecipients to submit their requests for payments before deadline.
- Process all requests for payment before project close-out.

## **C. Project Close-out Statement**

After payment deadline is reached and all subrecipient's requests for payments are processed, Project Leader shall prepare a written report to Section Chief requesting to close out project with request to transfer unspent funds to H&CD "surplus accounts". Project Leader shall certify that project is completed and review project files for completeness, arrange for documents to be filed under appropriate covers and securely store project file in appropriate filing cabinets per fiscal year and type of subrecipients (City, Nonprofit, etc.). Project Leader will confirm all Accomplishments and all data required by HUD Integrated Disbursement and Information System (IDIS) and with H&CD Accounting Unit to officially close the project file.

**Note:** In addition to the above 3 required monitoring visits, Project Leaders shall conduct site visits to provide technical assistance at the request of subrecipients or as often as necessary to ensure successful completion of the projects.

## 16. Affirmative Marketing

As discussed in the 2000-2005 Consolidated Plan, obstacles to meeting the under-served needs of households within the low and moderate-income levels are generally based on available financial resources, construction costs, and citizen support of the concept of affordable housing. The County has taken affirmative measures to improve on the availability and use of resources by allocating funds to a variety of activities and organizations.

Another element of the Department is the Community Relations component of the Community Development Section. Their focus is to implement federal regulations and guidelines pertinent to public-community relations and programs, including the preparation of the mandated Citizen Participation Plan.

The County continued to inform the public at-large of the Program's many opportunities through its policy of marketing and advertising through the use of County Notices and publishing of Public Notices in local newspapers, including Spanish and Vietnamese publications, as well as newsletters mailed directly to community residents. H&CD's Community Relations Section's efforts are consistent with the citizen participation goals of the Consolidated Plan.

Examples of information imparted to the public:

- Solicit business from minority and women owned businesses.
- Announce the availability of federal funds, which include HOME funds and the commencement of the Application Process to all interested parties.
- Announce Public Hearings to discuss and present the approved Annual Funding Allocation Process and Citizen Participation Plan.
- Announce the re-opening of the Section 8 Rental Assistance Waiting List.

## 17. Minority and Women Owned Businesses

H&CD, in response to Executive Orders 11625, 12432, and 12138, is exploring the issue of providing opportunities to minority business enterprises (MBE) and women-owned business enterprises (WBE). Towards this end, H&CD is following standard procedures to reach and encourage Prime Contractors/Developers to subcontract or joint venture with MBE/WBE firms. Prime Contractors/Developers will be advised of the availability of certifying organizations in the solicitation and utilization of small businesses, minority-owned firms, and women's business enterprises.

H&CD also has available the following list of Agencies that provide certifications and in some instances provide lists of certified contractors. They are:

- Los Angeles County Metropolitan Transportation Authority (MTA) [www.mta.net/EBB/sbe/sbe\\_program.htm](http://www.mta.net/EBB/sbe/sbe_program.htm)
- Small Business Consulting Agency [www.1sbca.com](http://www.1sbca.com)
- City of Los Angeles  
Los Angeles Minority Business Opportunity Committee [www.lamboc.org/](http://www.lamboc.org/)
- Office of Contract Compliance [www.lacity.org/bca](http://www.lacity.org/bca)
- California Department of Transportation (Caltrans) [www.dot.ca.gov/hq/bep/doingbiz.html](http://www.dot.ca.gov/hq/bep/doingbiz.html)
- WMBE Clearinghouse [www.cpuc.ca.gov/wmbe](http://www.cpuc.ca.gov/wmbe)
- Orange County Transportation Authority (OCTA) [www.octa.net/cammnet/DBEProgram.asp](http://www.octa.net/cammnet/DBEProgram.asp)
- County of Orange John Wayne Airport [www.ocair.com](http://www.ocair.com)

## HOUSING AND COMMUNITY DEVELOPMENT RESOURCES

### Section 2: Activities to be Undertaken with Federal Funds 24CFR§91.220 (c)

#### 18. Federal Resources (General Overview): 24CFR §91.220 (b)(1)

Federal Programs provide a majority of the resources used by the County of Orange for housing and community development activities. As shown earlier in this document, **Table I-1** (including the Metro City of Yorba Linda), the County's FY 2003-2004 request for new HUD CDBG, ESG and HOME program funds is at \$7,566,349. In addition to this amount is \$677,470 in Program Income and recaptured funds.

**Tables I-11 to I-13** below summarize the proposed use of new federal funding (but does not include recaptured prior year funds) allocations by type of eligible activity. As indicated previously, these tables demonstrate that CDBG funds will be used for the broadest range of activities while HOME funds will be used for permanent and transitional housing projects. ESG funds are limited for use in emergency or related services.

#### A. Acquisition Activities and New Housing Development

A total of \$2,775,797 in combined CDBG, HOME and HOME Program Income funds is recommended for acquisition/new housing activities to develop and provide affordable housing for low-income households. In addition of \$1,021,156 of CDBG for acquisition/new housing activities, HOME funds consist of CHDO set aside (\$298,402) and Acquisition/New Housing Development (\$1,356,239) and HOME Program Income (\$100,000) funds.

#### B. Economic Development

ARC recommended that no additional funding be allocated for Economic Development for FY 2003-04. For more information, refer to the "Economic Development" Section of the "Annual Actions for the 2003 Program Year" component of this Action Plan.

#### C. Administration

The County of Orange and the Metro City of Yorba Linda will use these funds for the administration of CDBG and HOME Programs in compliance with HUD regulations. Primary responsibilities include preparation of the Annual Action Plan, compliance monitoring, such as the documentation of environmental and labor standards and performance reporting to HUD.

#### D. Public Facilities and Improvements

The County of Orange is requesting \$1,164,050 in new CDBG and Program Income funding for thirteen (13) public facilities and improvement projects. Six (6) projects will be done in participating cities, two (2) will rehabilitate a homeless shelter facility, and five (5) will be County projects.

#### E. Public Services

New CDBG (\$760,650) and ESG (\$166,858) funding is being recommended for funding fifteen (15) public services activities including emergency shelter activities.

The combined new CDBG, ESG and HSS funds, provides a combined total of \$1,395,808 in Federal and local funds for homeless and public service activities in Fiscal Year 2003-2004. (This figure excludes 10% direct costs allocated to ESG projects.)

#### F. Rehabilitation Activities

\$966,241 in new CDBG and Program Income funding is requested for eight (8) residential rehabilitation activities to be provided by participating cities, the County, and two (2) nonprofit organizations. The City of Brea will use funds for single-family rehabilitation. The nonprofit Rebuilding Together Orange County will use funds to provide residential rehabilitation, targeting the elderly and those with disabilities within the County's target areas.

The County will continue with a program for single-family rehabilitation of homes and mobile homes in the unincorporated areas and the participating cities that do not provide a rehabilitation program of their own.

The County of Orange will utilize its ability to use income figures that represent a true 80% of the Orange County area median income for all housing rehabilitation activities.

#### **G. Program Income Reinvestment of Federal Funds**

The County of Orange has been providing eligible families with CDBG and HOME-based loans and grants to assist them to rehabilitate their home. During this period, the County has seen its program gradually receive a positive return on its loan transactions resulting in the accrual of income.

Program Income is reinvested in federally eligible activities. The County will reinvest Program Income funds of \$600,000 toward Housing Rehabilitation, Public Services, Public Facilities and Improvements, Administration and operational expenses for Community Centers.

#### **H. Recapture Guidelines**

The County will maintain its strategy to optimize CDBG and HOME resources for activities that address local objectives and priority needs identified in the Consolidated Plan. In addition to dedicating new resources for such projects, H&CD periodically reviews the progress of activities for which CDBG and HOME funds have been reserved in prior years. Such reviews are incorporated in the monitoring schedules to identify funds appropriate for reprogramming as "Amendments to the Action Plan." Subrecipients may also initiate requests for reprogramming. Unspent funds from previously planned projects may become available for reprogramming from:

- Projects which were completed for less than the budgeted amount;
- Projects which have become infeasible or incompatible; or
- Projects that were not completed within their contract period and therefore have expired.

#### **I. Reinvestment of Recaptured Federal Funds**

On February 25, 2003, the Orange County Board of Supervisors approved a proposal submitted by the Housing and Community Development Department to amend Annual Action Plans from Fiscal Years 1999-2000 to 2001-2002 to recapture and reprogram unspent federal funds from completed or cancelled projects. A majority of the \$455,481 recaptured was reprogrammed into existing projects. Of the total CDBG funds recaptured, \$71,270 was made available for ARC consideration for this (FY 2003-04) Annual Action Plan. Similarly, \$6,200 in ESG funds were included in the total amount of funds available for ARC consideration. **Table I-2** identifies the activities and projects the recaptured funds were reprogrammed into.

## Program Specific Requirements: 24CFR §91.220 (g)

### Section 3: Community Development Block Grant Program (CDBG) Narratives

The County of Orange anticipates receiving CDBG, HOME, and ESG funds due to its entitlement status as an Urban County. The appropriation amount is determined by a statutory formula developed by HUD. CDBG funds may be used for eligible activities including neighborhood revitalization, economic development, improvement of community facilities, and various housing and supportive services designed to aid very low, low, and moderate-income persons.

#### 19. New CDBG funds Available for 2003

**Table I-11** identifies the eligible activities in addition to the CDBG and Program Income funding amounts that the County of Orange anticipates to receive for the 2003-2004 funding cycle. New CDBG funds (including the Metro City of Yorba Linda and excluding direct costs) total to \$4,605,772 and \$539,401 in Program Income funds. These funds will be used to fund eligible activities as detailed in the "Summary of Proposed Projects for FY 2003" section and the "Listing of Proposed Projects" in **Section 7: HUD Table 3** following this narrative portion of the Action Plan.

**TABLE I-11**  
**New CDBG funds**  
**and Program Income**  
**Recommended for FY 2003-2004**

Activity	CDBG	Program Income	Total
Acquisition/New Housing Development	\$ 1,021,156	\$ -	\$ 1,021,156
Public Facilities & Improvements	\$ 1,174,135	\$ 20,000	\$ 1,194,135
Public Services	\$ 760,650	\$ 68,300	\$ 828,950
Housing Rehabilitation (owner)	\$ 599,293	\$ 336,843	\$ 936,136
Commercial Rehabilitation	\$ -	\$ -	\$ -
Subtotal Project Funds	\$ 3,558,472	\$ 425,143	\$ 3,983,615
Administration/Planning*	\$ 1,047,300	\$ 114,258	\$ 1,161,558
<b>TOTAL RECOMMENDATIONS</b>	<b>\$ 4,605,772</b>	<b>\$ 539,401</b>	<b>\$ 5,145,173</b>

Does not include Direct Project Costs

\*Includes CDBG Administration from City of Yorba Linda's Allocation

#### a. Acquisition/New Housing Development

The County intends to invest \$1,021,156 of New CDBG funds as seen above. This will be combined with \$1,654,641 in new HOME funds to provide affordable housing, as described below in the "New HOME Funds for 2003" section.

#### b. Public Facilities and Improvements

The County is recommending funding for thirteen (14) projects in the amount of \$1,194,135 in CDBG funds targeted for public facilities and improvements. These projects are located in the Cities of Rancho Santa Margarita, Stanton (2), Cypress (2), Placentia, Laguna Beach, Countywide project (4), and a County project. These projects are related to infrastructure improvements including the rehabilitation of public facilities, roads, curbs, and waterlines throughout the Urban County jurisdictions.

#### c. Public Services

The County is recommending the combination of CDBG funds (\$760,650), CDBG Program Income funds (\$539,401), Emergency Shelter Grant funds (\$166,858) and Housing Support Services (\$400,000) for an aggregate total of \$1,866,909 to be used for public services.

**d. Housing Rehabilitation**

The County plans to use a total of \$599,293 in CDBG and \$336,843 in Program Income funds. The combined \$936,136 is being recommended for housing rehabilitation. These funds will be used countywide to fund one (1) nonprofit organization, the cities of Cypress, Laguna Woods, Brea, Placentia and the County Orange to administer rehabilitation programs within their jurisdictions. The combined County and City-administered rehabilitation resources will be used to maintain the availability and habitability of affordable owner and renter-occupied units within their jurisdiction.

**e. Administration and Planning**

This activity has funding limitations imposed by federal regulations; therefore, funding cannot exceed 20% of the total CDBG funds (new funds plus Program Income), and funding for public services cannot exceed 15% of the total during the program year. The \$1,047,300 to be used by the County for administration represents the 20% allowed for the County and 10% County portion of the Metro City of Yorba Linda's administration. The Metro City and the County made this arrangement as not to duplicate administrative tasks.

No "Urgent Need" projects are included in this application. The County does not have any surplus funds from any urban renewal settlements, and the County is not involved in float-funded activities.

**Section 4: Home Investment Partnerships Program (HOME) Narratives**

HOME is a grant program also based on a HUD formula and its focus is to improve and/or to expand the affordable housing stock. HOME funds may be used for eligible activities that include rehabilitation, new construction, acquisition, homebuyer assistance, and tenant-based assistance.

The projects that the County is recommending for HOME funds are in compliance with all parts of 24CFR 92.205 (Eligible and Prohibited Activities) of the U.S. Department of Housing and Urban Development Rules and Regulations pertaining to the HOME Investment Partnerships Program. The HOME program was established to improve and/or expand a jurisdiction's affordable housing stock, and a jurisdiction must invest all HOME Investment Program funds in affordable housing. HOME funds must be used for activities that target certain income groups. In general, the program requires deeper affordability than CDBG, meaning that it reaches lower-income families.

**20. New HOME Funds Available in 2003**

During Program Year 2003-2004, the County expects to commit \$1,654,641 in HOME and \$100,000 in Program Income funds for projects to promote the development of additional affordable housing or maintain existing affordable housing in participating cities, target areas, and countywide as needed. The amount of HOME funds reserved for administration in Fiscal Year 2003-2004 is the allowable 10% (\$198,935) of the anticipated HOME allocation.

**TABLE I-12**  
**New HOME Funds**  
**Recommended for FY 2003-2004**

<b>Activity</b>	<b>HOME</b>	<b>Program Income</b>
Acquisition/New Housing Development	\$ 1,654,641	\$ 100,000
Public Facilities & Improvements	\$ -	\$ -
Public Services	\$ -	\$ -
Housing Rehabilitation (owner)	\$ -	\$ -
Commercial Rehabilitation	\$ -	\$ -
Subtotal Project Funds	\$ 1,654,641	\$ 100,000
Administration/Planning*	\$ 198,935	\$ -
<b>TOTAL RECOMMENDATIONS</b>	<b>\$ 1,853,576</b>	

\*Includes 10% HOME Administration.

Organizations that qualify as Community Housing Development Organizations (CHDOs) are encouraged to apply for these funds for affordable housing acquisition, development or rehabilitation. Consistent with federal regulations, the County will dedicate at least 15% of HOME

funds for use by Community Housing Development Organizations (CHDOs) selected through a competitive process. The CHDO Pre-Acquisition Loan Program was developed to support the emerging CHDO's by making financial assistance available. Loans to qualified CHDOs are to assist in pre-acquisition activities associated with the development of affordable housing for families at or below 60% AMI.

HOME funds require a 25% match of non-Federal funds. In addition to cities which administer their own rehabilitation programs, the County typically uses local redevelopment funds to satisfy this requirement for both rehabilitation and new housing projects. Participating Cities, as well as the County, expects to leverage HOME funds with local NDAPP funds.

## **21. Homeownership Program – Resale Restrictions**

The County of Orange currently administers a Self-Help Homeownership Program using HOME funds whereby the County makes grants available to agencies for the acquisition of land. The subrecipient of the grant shall then build new dwelling units on the acquired land at their expense. The dwelling units are in turn sold to income eligible homebuyers to be used as their primary residences.

As a condition of receiving the HOME grant funds, the County requires subrecipients of funding to enter into a thirty-year (30) year covenant agreement that is recorded against the property and runs with the land. The agreement contains a resale restriction stipulating that during the affordability period, the unit must be sold exclusively:

- At an "Affordable Price" (95% or less of the median purchase price for a single family house in the County); and,
- To a very low-income homebuyer (50% of less area median income).

Additionally, should a default occur during the affordability period, the County reserves the right to purchase the property at the Restricted Sales Price, less the amount of assistance originally provided by the County plus interest. The Restricted Sales Price is calculated using a formula which takes into account the purchase price, the change in consumer price index and improvements made to the property.

## **Section 5: Emergency Shelter Grant Program (ESG) Narratives**

### **22. Introduction**

This grant program is designed to improve the quality of existing emergency shelters and increase the number of shelters for the homeless. A one hundred percent (100%) match is required for these funds. Eligible uses include renovation, conversion of buildings, rehabilitation, and operating costs. Other eligible activities are limited to a proportion of the total grant. Only 30% of the grant can be used for essential services and homeless prevention, and staff costs for operations are limited to 10% of the grant.

To ensure compliance with match requirements, the County requires verification of matching funds by service providers who submit documentation for reimbursement of expenditures. Service providers usually solicit and provide matching funds through private donations, fundraisers, foundations, and United Way grants.

### **23. New ESG Funds for 2003**

The ESG funding allocation for Fiscal Year 2003-2004 is \$175,200 (New allocation \$169,000 and recapture funds \$6,200), of which \$166,858 is available for public services. The funds are recommended to be distributed among four (4) nonprofit organizations or service providers at shown on **Table 1-14**.



**TABLE I-13**  
**New ESG Funds**  
**Recommendations for FY 2003-2004**

<b>Activity</b>	<b>ESG</b>
Acquisition/New Housing Development	\$ -
Public Facilities & Improvements	\$ -
Public Services	\$ 166,858
Housing Rehabilitation (owner)	\$ -
Commercial Rehabilitation	\$ -
Subtotal Project Funds	\$ 166,858
Administration/Planning	\$ -
<b>TOTAL RECOMMENDATIONS</b>	<b>\$ 166,858</b>

Does not include Direct Project Costs

**Table I-14** shows the use of ESG funds for each participating organization. Specific details concerning use of proposed ESG funds by each recipient are included in the "Proposed Projects for 2003" section and the project descriptions listed in **Section 7: HUD Table 3** of the Action Plan.

**TABLE I-14**  
**ESG Project Funding FY 2003-2004**

<b>Organization</b>	<b>Amount</b>	<b>Activity</b>
Friendship Shelter Inc.	\$ 30,000	Emergency Shelter
Council of O.C. Society of St. Vincent de Paul	\$ 111,858	Weather Shelter Program
City of Laguna Beach	\$ 10,000	Emergency Cold Weather Shelter
Fullerton Interfaith Emergency Shelter	\$ 15,000	Homeless Shelter
<b>Total ESG Funds Recommended for Funding</b>	<b>\$ 166,858</b>	

Does not include \$8,342 for Direct Project Costs (10% of total allocation).

## **Section 6: ACTIVITIES TO BE UNDERTAKEN WITH LOCAL NONFEDERAL RESOURCES**

Within this Consolidated Plan period, the County of Orange has supplemented over \$25 million of its allocations of Federal HUD funds with locally generated funds to help meet the needs of the low and moderate-income residents of Orange County. The Neighborhood Development and Preservation Project (NDAPP) and Housing Support Services (HSS) funds are the two primary sources of local non-Federal funds available to the County. Although the amount of funding available from NDAPP for the 2003-2004 Fiscal Year has not been finalized at this time, the following estimates are presented.

### **24. NDAPP**

As a result of a bankruptcy recovery agreement, NDAPP began losing approximately \$2 million of the funds originally targeted for housing and community development activities annually. This loss will continue for approximately 20 years. Consequently, H&CD has had fewer NDAPP funds available for allocation to projects and less flexibility in the use of remaining funds. As identified in **Table I-15**, the amount of NDAPP funding available for Fiscal Year 2003-2004 is estimated at \$1,455,264 (public facilities and improvements projects) and will be subject to reconsideration based on the level of funding made available.

<b>TABLE I-15</b> <b>County Of Orange</b> <b>Projects Recommended For Local Funding</b> <b>FY 2003-2004 Funds</b> <b>NDAPP (Redevelopment) Funding</b>		
<b>Applicant</b>	<b>Project</b>	<b>Amount</b>
County of Orange/H&CD	El Modena Community Center Improvements	\$ 200,000
County of Orange/H&CD	Olive Heights Street Improvement	\$ 550,000
County of Orange/H&CD	Signal Lights - Chapman and Nearing	\$ 180,000
County of Orange/H&CD	Spring Street	\$ 60,000
County of Orange/H&CD	Gilbert Street	\$ 140,264
County of Orange/H&CD	West Anaheim Cerritos Sidewalk	\$ 130,000
County of Orange/H&CD	Storm Drain Improvement	\$ 35,000
County of Orange/H&CD	Community Wide Sewer	\$ 160,000
	<b>Recommended NDAPP Total:</b>	<b>\$ 1,455,264</b>

\*Subject to Board of Supervisors approval of program

## 25. HSS Funds

Consistent with the Board of Supervisors directive, \$400,000 in HSS funds has been set aside and will be allocated to eight (8) projects as identified on **Table I-16**.

<b>TABLE I-16</b> <b>Projects Recommended For Local Funding</b> <b>FY 2003-2004 Funds</b> <b>Housing Support Services (HSS) Funding</b>		
<b>Applicant</b>	<b>Project</b>	<b>Amount</b>
OC. Fair Housing Council	Fair Housing and Equal Opportunity	\$ 68,204
Saint Vincent de Paul	Cold Weather Armory Program	\$ 170,000
Families Forward	Emergency Housing and Support Programs	\$ 45,000
Community Services Program	Youth Shelter	\$ 22,500
Saddleback Community Outreach	Rental Assistance	\$ 10,000
Mercy House	Mercy House Center	\$ 35,000
Thomas House	Homeless Family Shelter	\$ 30,000
Family Assistance Ministries	Winter Shelter	\$ 19,296
	<b>HSS Total:</b>	<b>\$ 400,000</b>

Does not include Administration costs

## 26. Leveraging Opportunities

The County has maintained its efforts to seek out and encourage participation in activities with the private sector and nonprofit organizations to leverage federal, state and local funding. A well-planned Continuum of Care for the homeless has already been created, which is funded with SuperNOFA and Emergency Shelter Grants funds. The County can leverage HUD Section 202 and 811 funds, in conjunction with non-profits sponsors, to expand the supply of housing tailored to senior and special needs populations.

In an attempt to facilitate more public/private partnerships, the County has worked with developers and participating cities to leverage all available resources for development of new affordable rental units whenever possible. Resources used include bond financing, low-income housing tax credits, State of California Multi-Family Housing Program, Conventional financing, Federal Home Loan Affordable Housing Program grants, FHA Title 1 Home Improvement Loans and density bonuses.

The County has historically fostered economic development opportunities by supporting funding for Community Based Development Organizations, cities and other groups to provide training and employment opportunities. To address this issue, the County partnered with the Orange County Business Council (OCBC) to prepare the Orange County Economic Development Assessment. In September 1999, the final strategic assessment was prepared. In this document, specific recommendations and strategic initiatives were presented that aim to meet the goals of the County and the needs of Orange County economy as a whole. Key strategic initiatives, which are applicable to the 2000-2005 Consolidated Plan, include:

- Support incubators that meet the needs of the regional economy
- Target at least one existing or new affordable housing program to sectors where there is a critical lack of employees

H&CD will continue to examine and actively participate with other public agencies to utilize non-federal funding sources to leverage federal CDBG and local NDAPP funds for qualified public infrastructure improvements.

## **27. Matching Requirements**

Nonprofit organizations and other subrecipients generally contribute substantial financial resources to projects funded with CDBG, HOME and ESG funds. Private contributions, fundraisers, and other local resources often comprise the majority of funding for public service projects recommended for these Federal funds. Redevelopment funds, fee reductions, and other monetary or in-kind incentives are usually used to match Federal funds for rehabilitation or new construction.

## **Section 7: Proposed Project Descriptions**

**HUD Table 3** represents the full array of funded projects and activities proposed for Program Year 2003-2004 using CDBG, HOME, and ESG funds. It includes the listing of proposed projects, specific project descriptions, recommended federal funding allocations, anticipated accomplishments, and national objective citations. Projects in **HUD Table 3** are listed in order by funding source starting on the next page.

## County of Orange Housing and Community Development Department

Table 3: Projects Recommended for Federal Funding

Fiscal Year 2003-2004

Page Number	Name of Organization	Project Title
1	City of Brea	Brea Family Resource Center
2	City of Brea	Single-Family Housing Rehabilitation
3	City of Cypress	Cypress Acres Phase IV Street Improvements (Design)
4	City of Cypress	Home Enhancement Loan Program
5	City of Laguna Woods	Energy Efficient Improvements for Residential Units for Seniors
6	City of Rancho Santa Margarita	Southeast County Regional Community/Senior Center
7	City of Stanton	North Western Avenue Storm Drain Replacement
8	City of Stanton	Western Avenue Street Improvement
9	City of Yorba Linda	Administration
10	City of Yorba Linda	Neighborhood Improvement - Code Violations
11	City of Yorba Linda	Neighborhood Rehabilitation - Seniors & Disabled
12	City of Yorba Linda	Senior Nutrition Program
13	City of Yorba Linda	Town Center Relocation
14	Council on Aging	Linkages Case Management
15	County of Orange, H&CD	County of Orange - Affordable Housing Development - CDBG
16	County of Orange, H&CD	County of Orange - H&CD Administration of CDBG Program
17	County of Orange, H&CD	County of Orange - H&CD Administration of Yorba Linda CDBG Program
18	County of Orange, H&CD	El Modena Community Center Improvements
19	County of Orange, H&CD	Midway City Community Center Expansion Design
20	County of Orange, H&CD	Neighborhood Preservation Program - Single Family
21	County of Orange, H&CD	Page Avenue Sewer Improvements
22	County of Orange, H&CD	Yardley Street Storm Drain Study (Colchester to Ball)
23	County of Orange, PF&RD Internal Services	North Justice Center - Remaining Courtroom Modification
24	Eastside Water Association	Phase VII Distribution System Replacement - Monroe Street
25	HOMES, Inc.	Cypress House
26	Interval House	Shelter and Outreach Services for Elderly and Youth
27	Laguna Beach Seniors, Inc.	Laguna Beach Wellness Center
28	Laura's House	Laura's House Emergency Shelter for Victims of Domestic Violence
29	Mercy House	Joseph House and Regina House Rehabilitation
30	Midway City Community Organization	Midway Community Services
31	OC Community Development Council	Anaheim Independencia Community Center
32	OC Community Development Council	El Modena Community Center
33	Rebuilding Together Orange County	2003-2004 Rebuilding Project
34	Senior Meal and Services, Inc.	Affordable Housing & Nutrition Services for the Elderly
35	Serving People In Need	Continuum of Care Coalition
36	Shelter for the Homeless	Ladder to Success Expansion
37	The Eli Home, Inc.	The Eli Home Emergency Shelter Program
38	Women's Transitional Living Center, Inc.	45-Day Emergency Shelter Program
39	County of Orange, H&CD	County of Orange - Affordable Housing Development - HOME
40	County of Orange, H&CD	County of Orange - CHDO Set-Aside
41	County of Orange, H&CD	County of Orange - H&CD Administration of HOME Program
42	City of Laguna Beach	Emergency Cold Weather Shelter
43	Council of OC, Society of St. Vincent de Paul	Emergency Cold Weather Shelter Program
44	Friendship Shelter, Inc.	Emergency Shelter
45	Fullerton Interfaith Emergency Services	FIES/New Vista Transitional Homeless Family Shelter
46	City of Placentia	Handicap Access Ramp
47	City of Placentia	Housing Rehabilitation Grant Program
48	County of Orange, H&CD	Neighborhood Preservation Program - Multi Family
49	Midway City Community Organization	Midway City Community Center
50	OC Community Development Council	Anaheim Independencia Community Center
51	OC Community Development Council	El Modena Community Center
52	County of Orange, H&CD	County of Orange - Affordable Housing Development- HOME PI
53	Community Services Program	CSP Youth Shelter
54	Council of OC, Society of St. Vincent de Paul	Cold Weather Armory Emergency Shelter Program
55	Fair Housing Council of Orange County	Fair Housing Education, Counseling, and Enforcement
56	Families Forward	Homeless Prevention & Emergency Housing Support Program
57	Family Assistance Ministries	South County Women's and Children's Shelter
58	Mercy House	Mercy House Center
59	Saddleback Community Outreach	SCO's Rental Assistance
60	Thomas House Temporary Shelter	Homeless Family Shelter